

PRESERVED

1943

(Legis)

48-42 Serial No. 1

Previous references.

Later references.

W. 9. 51-43-1-4



G. R. S

**Office of the Secretary to the
Representative Assembly and Legislative Council**

(B) Feb. 1943

SUBJECT.

The Hydro War Risks (Goods) Insurance Act
1943

To .

The Computer, Hydro Gazette

Order No RL 732-Regis 48-42-1 dated 18-19

orders the publication of the Act and Act
No VII 11240

War Risks (Goods) Insurance Bill

Continuation Sheet.

File No.
Current No.

3242 of

Page

1) Development Secretary's note
dated 25.7.42 on the P.U.D.

2) A draft Bill on the lines of the
British Indian Ordinance as amended from time to time
is put up. The adaptations suggested by the
Govt. of India have been kept in view in
drafting this Bill. References to Construction of
ships etc have maybe been retained though
perhaps unnecessary in Mysore.

28.7.42

Secy
Rd to

Law Secy

3)

28.7.42

4)

28.7.42

28.7.42

Rev. Secy
27-C

5)

Min. Law Bill in for appl.

Min. F & R.

& Dewan

WA

29/7/42

6)

7) 29/7/42

8)

1/8/42

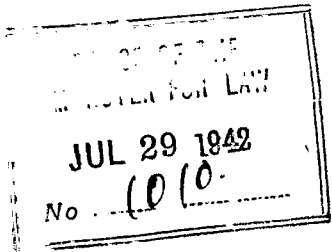
9)

A. press communique will have to be
issued explaining the principal features of
the measure in plain language too

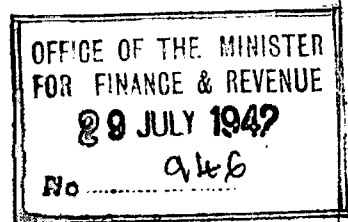
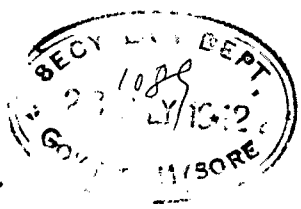
WD 06260-GPB-500 pads of 100 sheets each-20-3-42

Instructions on page 24 of the printed memorandum

1/8/42



1111



10)
(This will be done
immediately on
receipt of H.H.'s
to the Emergency)

For Disposal by Circulation.

No. C. 1249

9424

GENERAL AND REVENUE SECRETARIAT

Council Matter.

Subject

15) The Mysore War Risks (Goods) Insurance Emergency Act 1942.

Circulated to the Council of Ministers.

By Order

[Signature]
2/8

3rd August 1942

Chief Secretary to Government.

Minister for Finance and Revenue. (Seen)

Minister for Law. (Seen)

2815-
4.8.42 Minister for Education.

[Signature]
4.8.42

1193
3/8/42 Minister for Local Self-Government
and Public Health.

4.
3.8.42

See: L
7/8
you & may be app.
Min. Law,
DEF. is in the
up
6/8/42

Final Note by the Minister for Law.

Subject.— War Risks (Goods) Insurance Emergency Act.

I submit herewith for His Highness' gracious perusal a letter, dated 14th July 1942, received from the Government of India agreeing to extend the Government of India War Risks (Goods) Insurance Scheme to the Mysore State and indicating the points on which further action has to be taken in the matter.

2. Immediate action has to be taken accordingly to pass an Act here corresponding to the Government of India Ordinance, requiring sellers of goods in the State to effect insurance against War Risks under the Government of India Scheme. The Government of India also want the State to give an undertaking effectively to preclude suing of the Government of India (qua Insurer) in the courts of the State. The Government of India further state that as the contract of insurance will be between the persons in the State and the Governor-General, the Government of India will insert the following conditions in the policies of insurance to be issued in respect of the goods situated in the State:

- (i) that the contract shall be deemed to be made in British India;
- (ii) that claims under the policy shall be settled in British India; and
- (iii) that the insured agrees to submit to the jurisdiction of the Courts in British India for all matters arising out of or in connection with the policy of insurance.

It is proposed to agree to the above conditions and give the necessary undertaking.

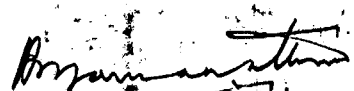
3. As the Government of India desire that all sellers of goods of the kinds which are insurable under the Ordinance, in the State, must insure before the 31st August 1942, necessary legislation will have to be enacted immediately. Draft of an Emergency Bill

prepared on the lines indicated by the Government of India is submitted herewith.

4. After the Act is promulgated further action will be taken in the matter of giving wide publicity to the provisions of the scheme and the Rules issued by the Government of India, which are applicable mutatis mutandis in the State. Action will also be taken in due course to place the Bill in this behalf before the Legislature, if found necessary.

5. The Dewan and the other Ministers have agreed to the proposals. Gracious sanction of His Highness is solicited for the promulgation of the draft Bill put up as an Emergency Act in the first instance and to proceed with it in the Representative Assembly and the Legislative Council, if the continuance of the Scheme be considered necessary.

Bangalore,
6th August, 1942.


MINISTER FOR LAW,
In charge of the duties of the
Minister for Finance & Revenue

Record of Cases submitted for the Orders of
His Highness the Maharaja.



Subject.

Promulgation of the War Risks
(Goods) Insurance Emergency Act, 1942.

Order.

I
W.
98/41.

No. 137

115

Chap. Sec. (Secretary)

11/2/42

(*)

14. All urgent or confidential files returned with His Highness' orders may, in the absence of instructions or indications to the contrary, be ordinarily circulated to the Ministers for perusal after the issue of orders.

16. The Secretaries concerned should see that orders in the cases referred to above are issued at once and that the files are returned immediately after, to the Chief Secretary for circulation to the Ministers.

17. In all other cases, the files will first be circulated to the Ministers at Headquarters and then sent to the Secretariat concerned for the issue of orders.

SUBJECT:—

Promulgation of the War Risks (Goods Insurance Emergency Act, 1942.

Circulated to Council of Ministers for perusal of His Highness' orders before/after issue of orders. (Vide Rules 14, 16 and 17 of the Subsidiary Rules for the conduct of business of Council in the Mysore Government Business Rules.) (*)

M. S. Keshu 11/5
Chief Secretary to Government.

Through the Secretary to Government, (Issued & circulated)

Swil J. ... Financial Department. 11/8/42

Minister for Finance and Revenue.

Minister for Law.

Minister for Education.

Minister for Local Self-Govt. and Public Health.

The Mysore War Risks (Goods) Insurance Emergency Act, 1942

General and Revenue
Secretariat

File No.

of 194

[App. F. III-2

Serial
No.

The gracious assent of His Highness the
Maharaja was accorded on the 8th day of
August 1942 to promulgate the Mysore War
Risks (Goods) Insurance Emergency Act,
into law.

To be published
in an ext. issue
of the Gazette, in
view of urgency.)

A draft G.O. directing publication
as Act No. ~~XXXV~~ of 1942 is submitted for
approval

W.P.
11/8/42

24.
11-8-42

May be approved.

BXR

11-8-42

Law Secy)

Cus

11-8-42

Isme now

BXR

11-8-42

Issued No. R.L. 175- Legis 15-42-1 G.O.
Compiled Mysore Gazette - directs publication
of the Act in the Gazette Extra-ordinary
dated 11th August 1942

The file will be returned to the administra-
tive Section to take further action.

Supd for perusal before returning the file to Secy.

24.
11-8-42 B.M.
11/8

BXR

11-8-42

Itc Branch)

The Supreme War Risks (Crosses) Insurance Emergency Act

File No.

32/H

of 194

12/2/42
General and Revenue
Secretariat

Serial
No.

This file will be returned to
the Registrar for taking
further action in connection with the
RA. Sub

1/5/42
15/9

16/9/42

16/9/42

Assent of His Highness has been obtained to proceed
with the measure before the R.A. & L.C.

Please put up a draft Bill with a clause
saving all action so far taken under the
Emergency Act and a St. of Principles
immediately.

22/9/42

A draft Bill and a draft St. of principles
are put up for approval. Smt.

24/9/42
24/9

Please put up Statement

as revised

24/9/42

The revised statement of principles is
put up for approval

25/9/42
25/9

The St. of principles is for approval

Secy
(RA se.)

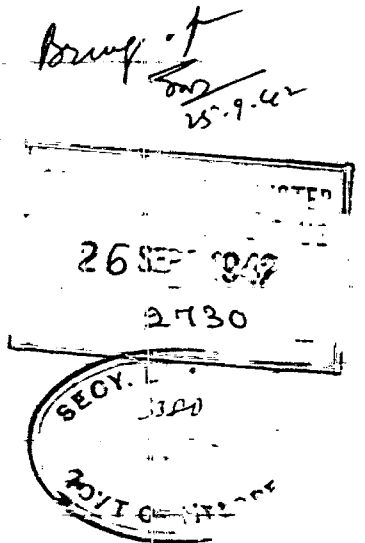
25/9/42

25/9/42

May be approved

Minister for Fin & Rev
Please include this Bill also

25/9/42
26/9/42



War Risks (Goods) Insurance Bill

General and Revenue
Secretariat
R. A. & L. C.

File No.

of 194

[App. F. III-2

32/RH

Serial
No.

The War Risks (Goods) Insurance Bill was placed before the R.A. on 14-10-42. After some discussion it was put to the vote and passed.

It is for consideration if the Bill may be published under orders of the Dewan under rule 36 of the Mysore Legislative Rules 1941 in which case it will not be necessary to move for leave to introduce the Bill in the ensuing Session of the L.C. The Statement of principles will be adopted as the Statement of objects and Reasons.

Sd/- for orders

21.
25-10-42

Permission is solicited for the

publication of this Bill under the orders of the Dewan under rule 36.

The St. of principles will be adopted as the St. of objects & reasons. As the provisions of this Bill are already in force as an emergency measure there may be no need for notes on clauses.

Secy
(Asst. Secy)
5-11-42

BXR
5-11-42

(Asst. Secy)

May be published

Dewan

- Cur
5-11-42

BXR
5-11-42

MU

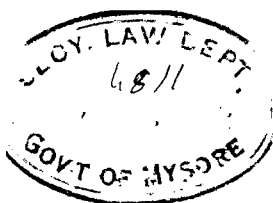
888
10-11-42

10-11-42

8/11/42

12-11-42

THIS OFFICE
6.10.1942
NO. 3587



NOTE-Contn. Sheet

M. J. V.
10-11-42

The Mysore War Risks (Goods) Insurance Bill

File No.

32

of 194

General and Revenue
Secretariat
R. A. & L. C.

Serial
No.

A draft Notification is submitted for approval

24
11-11-42

To.

38me
12-11-42

The Compiler Mysore Gazette
issued No RL 557 Legis 15-42-2 dated
11-11-42 - Directs the publication of the
Bill in the Gazette under rule 36 of the
Mysore Legislative Rules

This Bill will not require
scrutiny by a Select Committee. It replaces the
existing Emergency Act.

The following motions are hereby
suggested for the L.C. in the name of the
Minister Finance & Revenue.

1. to introduce the Bill.
2. to move that the Bill be taken into
consideration by the Council at once [without
reference to a Select Committee]
3. to move that the Bill be passed

Levy
(H. H. H.)

12-11-42

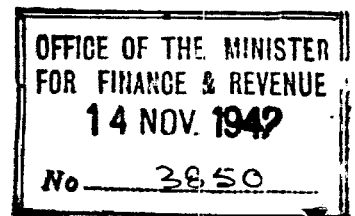
Law Secy

13-11-42

13-11-42

Minister Fin & Rev

13-11-42



16-11-42

16-11-42

16-11-42

M. T. W.

The Hydre War Risks (Goods) Insurance Bill

General and Revenue
Secretariat
R. A. & L. C.

File No.

of 194

[App. F. III-2

32/192

DC

OFFICE

Serial
No.

5. JAN 1943

NO 5144



The Bill was introduced in the Legislative Council during its recent session and passed by it with certain minor amendments. A copy of the Bill as passed and signed by the President is submitted herewith.

A typed copy is put up

A D. F. N. is also submitted for approval

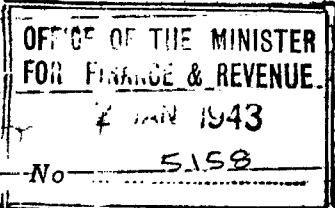
20
26.12.42

20
23/12/42

30.12.42

Law Secy)

D. F. N. Submitted



Marked for approval

1-1-43

Rel 4.1.43

Signed F. N. in duplicate is placed below.

S. N. Submitted

51/43

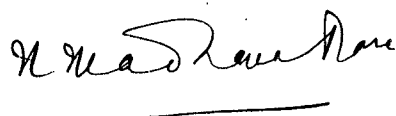
3-1-43

Dewan

5.1.43

Submitted to His Highness.

I submit herewith a Final Note by the Minister for Finance
and Revenue on the subject of the promulgation into law of the
Mysore War Risks (Goods) Insurance Bill, for His Highness's
gracious sanction.



Bangalore, 5th January 1943.

DEWAN.

Record of Cases submitted for the Orders of
His Highness the Maharaja.



Subject.

Promulgation into law of
the Mysore War Risks (Goods) In-
surance Bill.

No 481

Order.

[Signature]
7/1/43.

af. Secy
9/11/43
6/1/43

SUBJECT:—

Promulgation into law of the Mysore War
Risks (Goods) Insurance Bill.

14. All urgent or confidential files returned with His Highness' orders may, in the absence of instructions or indications to the contrary, be ordinarily circulated to the Ministers for perusal after the issue of orders.
16. The Secretaries concerned should see that orders in the cases referred to above are issued at once and that the files are returned immediately after, to the Chief Secretary for circulation to the Ministers.
17. In all other cases, the files will first be circulated to the Ministers at Headquarters and then sent to the Secretariat concerned for the issue of orders.

Circulated to Council of Ministers for perusal of His Highness' orders before/after issue of orders. (Vide Rules 14, 16 and 17 of the Subsidiary Rules of the Mysore Government Business Rules.) (*)

[Signature]
Chief Secretary to Government.

Through the Secretary to Government,
.....L a w.....Department.

Ans
8-1-43

5460
8.1.43

Minister for Finance and Revenue.

Rel'g. 43

6034
9.1.43

Minister for Law.

[Signature]
1/1

9323
9.1

Minister for Education.

[Signature]
10.1.43

5326
12.1.43

Minister for Local Self-Govt. and Public Health.

Ans
13.1.43

Law Secy
De

Ans
13/1

Ans
15-1-43

[Signature]
15.1.43

OF THE SECRET
Ind.V.

The Hyderabad War Risks (Goods) Insurance Act 1943

General and Revenue
Secretariat
R. A. & L. C.

File No. 32/nl f 194

[App. F. III-2

Serial
No.

The grace assent of His Highness the
Nizam was accorded on 7-1-43 to
promulgate the Bill into law

A draft of O. directing publication of the
Act as Act No VII of 1943 is submitted for
approval



24
18-1-43

BVN
18/1

Secy
RA & LC
18.1.43

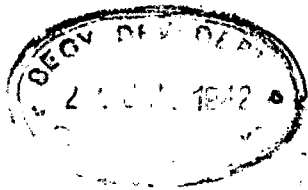
Law Secy

BXR
18-1-43

Cur
18-1-43

Done
BXR
19.1.43

The complete Hyderabad Gazette
No RL 732 - Legis 48-42-1 dated 18/1-43
Directs the publication of the Act in the Gazette
The Act has been published in part II of the
Gazette dated 21-1-43



No.8-W.R.I.(1)/41.
Government of India.
Department of Commerce.

*This may be givenly dealt with
Points requiring action should be
tabulated & forwarded*

New Delhi, the 14th July 1942.

From
NLU
21/7/42

S.R.Zaman, Esquire, I.C
Additional Deputy Secretary to the Government of India.

To
The Prime Minister,
Mysore.

DEWAN'S OFFICE

2 JUL 1942
M. 70

*The main file relating to
The subject has been passed
on to the Secy. Secretary, for
favour of necessary action (in*

Subject:- Insurance of Goods against War Risks.

*Consultation
with Law Secy.* Sir,

*Forwarded, with
Compl's, in continuation.*

12/1
24/7

I am directed to refer to your telegram, dated the 4th May 1942 in which the Mysore State expressed their willingness to join the Government of India's Scheme for the Insurance of Goods against War Risks. The number of acceptances received so far from other States also has been such that the Government of India are now prepared to proceed further with the proposal.

*Devised
we
X
Legn Secy
W/C*

In a Bill
25/7/42

2. For the operation of the Scheme in India States two complementary processes are required namely:-

(i) The amendment of the Government of India's War Risks (Goods) Insurance Ordinance so as to provide that where the Government of India are satisfied that an Indian State has promulgated corresponding legislation requiring the insurance against War Risks of goods situated in such State the Government of India will undertake to cover War Risks as defined in the War Risks (Goods) Insurance Ordinance in respect of the goods situated in the State and persons carrying on business in the State in the same manner, to the same extent, and subject to the same conditions as if the goods were situated in British India and the persons concerned were carrying on business in British India.

(ii) The passing of a law by the Indian State corresponding to Government of India's Ordinance requiring sellers of goods in the State to effect insurance against War Risks under the

the Government of India's Scheme.

3. As regards the first the Government of India are taking the necessary steps and it is hoped that the amendment to the Ordinance will be promulgated very shortly. On the second point it is for the State to take action with the utmost possible expedition. As the matter is of extreme urgency it is hoped that the Mysore State will take immediate action to pass the necessary law. In order to assist the State in the framing of their counterpart of the British Indian law, a copy of the British India Ordinance is enclosed together with a statement (annexure I) showing that adaptations are considered necessary in that Ordinance to make it suitable for issue by the State as their law.

4. The Government of India wish to draw the attention of the State to the following special features of the Scheme and the complementary legislation to be enacted by the States:-

(a) The Scheme provides for the pooling of the premia and other moneys receivable in connection with the Scheme in respect of goods situated in the Indian States with the premia and other moneys received from British India into a common fund operated by the Government of India out of which all payments will be made. The Government of India will bear any deficit that may result from the operation of the Scheme, and equally, shall be entitled to any surplus that may remain in the fund after all claims have been met.

(b) The adaptation suggested for the State law provides that the Government of India's Scheme shall be the Scheme for the purposes of War Risks Insurance of goods in States. The contract of insurance will, therefore, be between the persons in the State concerned and the Governor General.

(c) It follows from (b) above that the Rules in force in British India should also apply mutatis mutandis to the States and that any person authorised for any of the purposes of the Ordinance in British India, (e.g. Insurance Companies acting as Government Agents, Loss Assessors, Officers and

Inspectors to check defaults and evasions) should be authorised by the State for a corresponding purpose in State territory. Provision for this has also been made in the adaptation, though it is open to the States to authorise additional officers for certain of the purposes of the Ordinance.

(d) The premium payable on goods situated in the State shall be the same and payable in the same manner as for similar goods in British India. Insurance under the Scheme is on a quarterly basis and the rate of premium applicable to any particular quarter is notified well before the commencement of the quarter. The rate notified for the quarter July-September 1942 is -/3/- per month per 100 rupees.

(e) The Scheme will apply to the State in exactly the same way as it applies to British India.

(f) After the State has passed the necessary law, it will be necessary to notify under Section 7 a date (which should not be later than one month after passing of the State law and in any case not later than the 31st of August 1942) by which all sellers of goods of the kinds which are insurable under the Ordinance in the State must insure, under pain of suitable penalties. Under Rule 9 of the War Risks (Goods) Insurance Rules in force in British India read with the first proviso to Sub-section 7 of Section 7 of the Ordinance, insurance is not compulsory in the case of sellers of goods where such sellers do not hold goods exceeding Rs.20,000 in value in the same Presidency town or district in the course of their selling business. A similar limit of Rs.20,000 for compulsory insurance has been included in the adaptation suggested for the State law (Annexure I). It is requested that as soon as the State law has been passed, the Government of India should be informed by telegram and a copy of the enactment sent to this Department for information. It is also suggested that the passing of the law should be advertised as widely as possible, particularly in those areas in the State where goods insurable under the law are likely to be situated so that the public in the State may come to know of their

obligations under the Scheme. The Rules etc. framed by the Government of India which will also apply in the State territory may also be given similar publicity. It is requested that the Government of India may be informed in due course of the last date fixed for compulsory insurance.

(g) Under the British Indian Ordinance as proposed to be amended, it will now be possible for sellers of goods in the States which join the Scheme to insure their goods whether situated in British India or in the participating States under one policy. Similarly it will be possible for sellers of goods in British India to insure their goods situated whether in British India or in a participating Indian State under one and the same policy. No difficulty of transit, therefore, arises in the case of goods passing from a participating Indian State to British India or vice versa. However, if in the course of transit the goods pass through a non-participating Indian State they would cease to be covered while in that State and the question whether cover should continue during the course of such transit is separately under examination by the Government of India.

(h) It is requested that after the State law has been enacted, an exemption notification under the State counterpart of the second proviso to Sub-section 7 of the Ordinance should be issued corresponding to Government of India's Notification No. 13-W.R.I./41, dated the 26th of April 1941, a copy of which is enclosed. This will ensure the exemption of those goods from insurance in the State which are not insurable in British India.

5. I am to add that before the Government of India extend the provisions of their War Risks (Goods) Insurance Scheme to cover goods situated in the State the Government of the State shall give an undertaking effectively to preclude the suing of the Government of India (qua insurer) in the Courts of the State. As the contract of insurance will, as stated above, be between the persons in the State and the Governor General, the Government of India will insert the following condition in the policies of

insurance to be issued in respect of goods situated in the State

(i) that the contract shall be deemed to be made in British India,

(ii) that the claims under the policy shall be settled in British India, and

(iii) that the insured agrees to submit to the jurisdiction of courts in British India for all matters arising out of or in connection with the policy of insurance..

6. I am to request that in view of the urgency of the matter necessary action to give the undertaking referred to in the preceding paragraph and to pass the complementary State law may be taken as early as possible and the Government of India informed of developments.

7. A copy of the Rules and Notification issued by the Government of India so far in connection with the Scheme is enclosed for information and publicity in the State after

the corresponding State law has been passed.

I have the honour to be.

Sir,

Your most obedient servant,

S. R. Zaman

Additional Deputy Secretary to the Government of India.

By
10/7/42-125-D

ANNEXURE I.

Adaptation of the War Risks (Goods) Insurance Ordinance for Indian States.

In all Sections of the Ordinance that are retained, the following general amendments will be necessary.

- (1) Substitute reference to "British India" by reference to the "State" concerned.
- (2) Substitute reference to the "Central Government" by reference to the Ruler or the Government of the State concerned.
- (3) Substitute reference to the "Ordinance" by reference to "Law" or "ACT" or some other suitable word.

In addition to the above general amendments the following other amendments will be necessary:-

Section 1:-

Sub Section

- (1) To be suitably modified.
- (2) No change except the general change mentioned above.
- (3) "It shall come into force at once" instead of the clause as it stands.

Section 2:-

No change except the general change mentioned above.

Section 3:-

Sub-section.

- (1) The amendment made to this section by Ordinance No.XIV (a & b) of 1942 is not to be incorporated otherwise no change except the general change mentioned above.
- (2) The amendment made to this section by Ordinance No.XIV of 1942 is not to be incorporated - otherwise no change except the general change mentioned above. Reference to S.7 will have to be corrected.
- (3) & (4) No change except the general change.

Section 4:-

(1),(2) & (3) No change except the general change.

(()) Add the words "of the Government of India" after the word "scheme".

After Section 4:-

Insert a new Section as follows:-

"The War Risks (Goods) Insurance Scheme operated by the Government of India under that Government's War Risks (Goods) Insurance Ordinance shall have effect in the State to the same extent and in the same manner as if it had been put into operation under a law of the State.

For Sections

5,6 & 7 substitute the following:-

(1) "No person shall, after such date as may be prescribed in this behalf by the Government of the State carry on business in the State as seller of goods unless in respect of insurable goods situated in that State for the time being owned by him in the course of his business there is in force a policy of insurance against War Risks issued by the authority operating the War Risks (Goods) Insurance Scheme of the Government of India.

Provided that nothing in this Sub-section shall restrict the carrying on of business as aforesaid by any person, if and so long as the value of all goods insurable which are for the time being owned by him within the State in the course of that business does not exceed the sum of Rs.20,000/-.

Provided further that the Government of the State may declare that the provisions of the Sub-section shall not apply to the carrying on of business as aforesaid by any person in respect of goods of any description specified in such declaration."

(2) Whoever contravenes the provisions of Sub-section (1) shall be punishable with fine which may extend to one thousand rupees and with a further fine which may extend to five hundred rupees for every day after the first on which the contravention continues.

Section 8&9:- Omit.

Section 10:- In this section the general change for "Central Government" mentioned above should not be made. Instead, the words "Central Government" should be substituted by "the Government of the State or the Government of India."

Section 11:- Omit.

Section 12:- No change except the general change.

Section 12(A):- For "Central Government" substitute "Government of the State or the Government of India", and after the word "Fund" add the words "established by the Government of India."

Section 13:- No change except the general change.

Section 14:- (1) No change except the general change.
(2) Should be altered to read as follows:-

"Subject to any other Rules or any modification that may be made in exercise of the powers under Sub-section (1) of this Section, the Rules for the time being in force under the Government of India's War Risks (Goods) Insurance Ordinance, 1940, shall, mutatis mutandis, be deemed to be the Rules for the purposes of this law in the State and, further, all persons authorised by the Government of India under the War Risks (Goods) Insurance Ordinance, 1940 and the Rules framed thereunder for any of the purposes of that Ordinance shall be deemed to be authorised under the State law for corresponding purposes."

B. S. Suri
"145-10/12/42" - D

PROCEEDINGS OF THE GOVERNMENT OF HIS HIGHNESS
THE MAHARAJA OF MYSORE

Order No. RL 175 Legin 15-42-1

Dated, Bangalore, 11th Aug 1942

Ordered that the accompanying Mysore War Risks
(Goods) Insurance Emergency Act, 1942

which received the assent of His Highness the Maharaja,
on the 8th day of August
1942, be published as Act No. XXXV
of 1942, in the Mysore Gazette, for general information.

BPR
11.8.42

General Secretary to Government.

Law Department

To

The Compiler, Mysore Gazette, for publication in Part IV
Extra-Ordinary dated 11-8-42
of the Gazette, in English and Kannada and for supply
of spare copies in English and Kannada, as per standing
orders.



The Mysore Gazette

(EXTRAORDINARY)

PUBLISHED BY AUTHORITY.

BANGALORE, TUESDAY, AUGUST 11, 1942.

Legislative Measures and Rules thereunder.

NOTIFICATIONS.

*Order No. R. L. 175—Legis. 15-42-1, dated Bangalore,
the 11th August 1942.*

Ordered that the accompanying Mysore War Risks (Goods) Insurance Emergency Act, 1942, which received the assent of His Highness the Maharaja on the 8th day of August 1942, be published as Act No. XXXV of 1942, in the *Mysore Gazette*, for general information.

C. NARAYANASWAMY NAIDU,

*Secretary to Government,
Law Department.*

ACT No. XXXV OF 1942.

**THE MYSORE WAR RISKS (GOODS) INSURANCE
EMERGENCY ACT, 1942.**

*(Received the assent of His Highness the Maharaja
on the eighth day of August 1942.)*

**An Act to make certain provisions for the insurance of
goods in Mysore against damage by enemy action.**

WHEREAS the Government of His Highness the Maharaja is satisfied that circumstances exist which render it necessary to make certain provisions for the insurance of goods in Mysore against damage by enemy action ;

Now therefore, in exercise of the powers conferred by sub-section (1) of section 31 of the Government of Mysore Act 1940 (XVIII of 1940) :

It is hereby enacted as follows :—

1. (i) This Act may be called the Mysore War Risks (Goods) Insurance Emergency Act, 1942.

(ii) It extends to the whole of Mysore.

(iii) It shall come into force at once.

2. In this Act unless there is anything repugnant in the subject or context;—

(a) “agricultural products” means products of agriculture, horticulture or silviculture and includes growing crops, plants and trees ;

(b) “goods” means any materials, commodities or articles and includes materials or articles used in or for the construction of ships up to the time at which a ship after construction is launched ;

(c) “war risks” means such risks arising from—

(i) action taken by an enemy or action taken in combating an enemy or in repelling an imagined attack by an enemy,

(ii) measures taken under proper authority to avoid the spreading of, or otherwise to mitigate, the consequences of damage occurring (whether accidentally or not) as the direct result of any such action as aforesaid,

(iii) precautionary or preparatory measures taken under proper authority with a view to preventing or

hindering the carrying out of any attack by an enemy, being measures involving a substantial degree of risk to property,

(iv) precautionary or preparatory measures involving the doing of work on land and taken under proper authority in any way in anticipation of enemy action, being measures involving a substantial degree of risk to property,

(v) precautionary or preparatory measures taken under proper authority with a view to denying facilities to the enemy, being measures involving a substantial degree of damage to, or diminution of the value of property,

as may be prescribed;

(d) "live-stock" includes animals of any description;

(e) "prescribed" means prescribed by rules made under this Act;

(f) "seller of goods" includes a seller of goods acting as an agent, and, in relation to any person carrying on the business of selling goods as an agent, any reference in this Act, to goods produced by him or to goods not produced by him shall be construed as including a reference to goods produced, or as the case may be, not produced by his principal.

3. (1) Subject to the provisions of this section—

(a) the following goods shall, in relation to any person carrying on business in Mysore as a seller of goods of any description produced by him, be deemed to be goods insurable under this Act, that is to say, all goods situated in Mysore being either—

(i) goods of that description, or

(ii) goods used as material from which goods of that description are produced or as ingredients or component parts of goods of that description; and

(b) the following goods shall, in relation to any person carrying on business in Mysore as a seller of goods of any description not produced by him, be deemed to be goods insurable under this Act, that is to say, all goods of that description being goods situated in Mysore.

(2) In relation to a person carrying on in Mysore the business of selling agricultural products produced by him, all agricultural products and live-stock for the time being situated in Mysore, shall, subject to the following provisions of this section, be deemed to be goods insurable under this Act:

Provided that the Government may, by general or special order, direct that the provisions of section 6 shall not operate so as to require a person to be insured in respect of any goods which, in relation to that person would not, apart from the provisions of this sub-section, be goods insurable under this Act.

(3) Things which, in relation to a person carrying on any business as a seller of goods, are at any time goods insurable by reason only that they are subsequently placed in or affixed to land under a contract of sale entered into by that person in the course of that business.

(4) The Government may, by notification in the official Gazette, direct that goods of any description specified in the notification shall, notwithstanding anything contained in this section, be deemed not to be goods insurable under this Act.

4. (1) Save in so far as is otherwise expressly provided in this Act, any goods shall, subject to the provisions of this section, be deemed for the purposes of this Act to be owned—

(a) if the property in the goods is for the time being vested in a person in relation to whom they are insurable under this Act, by that person;

(b) if the property in the goods is not so vested, by any person in relation to whom the goods are insurable under this Act and who is for the time being entitled, either unconditionally, or conditionally to have the property in the goods vested in him:

Provided that where—

(i) any goods would, under the foregoing provisions of this sub-section, be deemed to be owned by a person in whom the property therein is vested otherwise than in the course of a business carried on by him in Mysore, or who is entitled to have the property therein vested in him otherwise than in the course of such a business, and

- (ii) any person carrying on business in Mysore is for the time being entitled to sell the goods as agent,

the goods shall be deemed to be owned by the last mentioned person.

(2) Where in the course of any business a ship is being, or has been constructed under contract, and the ship or any part thereof or any goods appropriated for the construction thereof—

- (a) would, apart from the provisions of this sub-section, have been deemed for the purposes of this Act to be owned at any time by the person from time to time carrying on the business, or
- (b) have at any time been accepted, in pursuance of a contract made with him by the person from time to time carrying on the business,

then, notwithstanding that they would not, apart from the said provisions, be deemed for the said purposes to be owned by the person from time to time carrying on the business, the ship and any part thereof and any goods so appropriated as aforesaid shall, subject to the provisions of sub-section (3), be deemed, in a case to which clause (a) applies, to continue to be owned by the person from time to time carrying on the business until the acceptance of the ship, in pursuance of the contract in question, by the person for whom it is being, or has been, constructed and in a case to which clause (b) applies, to be owned by the person from time to time carrying on the business at all times between the acceptance referred to in the said clause (b) and the acceptance of the ship as aforesaid by the person for whom it is being, or has been, constructed.

(3) The provisions of sub-section (2) shall apply in relation to the construction under contract in the course of a business, of part of a ship, not being part of a ship which is being, or has been, constructed by the person from time to time carrying on the business, as they apply in relation to the construction of a ship—

- (a) with the substitution for references to a ship of references to part of a ship;
- (b) where the contract for the part of the ship is with the person for whom the ship is being constructed, with the substitution for references

to the acceptance of the ship under the contract in question of references to the acceptance of the ship under the contract for the construction thereof.

- (c) where the contract for the part of the ship is with any other person, with the substitution for references to the acceptance of the ship under the contract in question of references to the acceptance of the part of the ship under the contract for the construction of the part by the person for whom it is being, or has been, constructed.

(4) Where the person from time to time carrying on a business receives any money, under a policy issued in pursuance of the War Risks (Goods) Insurance Scheme of the Government of India, in respect of the loss of or damage to a ship, part of a ship or goods which are deemed to be owned by him by virtue of sub-section (2) or sub-section (3), the money shall be held by him on trust for the person who, apart from the provisions of these sub-sections, would be deemed for the purposes of this Act to be the owner of the ship, part or goods, subject, however, to any lien or charge which would otherwise be enforceable against the ship, part or goods, and subject also to the right to retain out of the money the amount of any expenses reasonably incurred by the first mentioned person in making good any part of the loss or damage which he is liable to make good.

5. The War Risks (Goods) Insurance Scheme operated by the Government of India under that Government's War Risks (Goods) Insurance Ordinance, 1940, shall have effect in Mysore to the same extent and in the same manner as if it had been put into operation under a law of Mysore.

6. (1) No person shall after such date as may be prescribed in this behalf by the Government, carry on business in Mysore as seller of goods, unless in respect of insurable goods situated in Mysore for the time being owned by him in the course of his business, there is in force a policy of insurance against war risks issued by the authority operating the War Risks (Goods) Insurance Scheme of the Government of India:

Provided that nothing in this sub-section shall restrict the carrying on of business as aforesaid by any person, if

and so long as the value of all goods insurable which are for the time being owned by him within Mysore in the course of that business does not exceed the sum of Rs. 20,000 :

Provided further that the Government may declare that the provisions of this sub-section shall not apply to the carrying on of business as aforesaid by any person in respect of goods of any description specified in such declaration.

(2) Whoever contravenes the provisions of sub-section (1) shall be punishable with a fine which may extend to Rs. 1,000 and with a further fine which may extend to Rs. 500 for every day after the first on which the contravention continues.

7. Any person authorised in this behalf by the Government or the Government of India may, for the purpose of ascertaining whether or not any person has insured any goods against war risks, and, if so, for what value—

(a) require any person carrying on in Mysore the business of fire insurance or of a seller of goods to submit to him such accounts, books or other documents or to furnish to him such information as he may reasonably think necessary, or

(b) at any reasonable time enter any premises occupied by any person carrying on in Mysore any such business and inspect the premises and require any person found therein who is for the time being in charge thereof to produce to him and allow him to examine such accounts, books or other documents as may relate to the business carried on in the premises or to furnish to him such information as he may reasonably think necessary.

(2) Whoever wilfully obstructs any person in the exercise of his powers under this section or fails without reasonable excuse to comply with a request made thereunder shall, in respect of each occasion on which any such obstruction or failure takes place, be punishable with fine which may extend to five hundred rupees.

(3) Whoever, in purporting to comply with his obligations under this section, knowingly or recklessly makes a statement false in a material particular, shall be punishable with fine which may extend to one thousand rupees.

8. No prosecution for any offence punishable under this Act shall be instituted against any person except by

or with the consent of the Government or an authority authorised in this behalf by the Government.

9. Any offence punishable under sub-section (2) of section 6 may, either before or after the institution of the prosecution, be compounded by the Government or the Government of India or by any authority authorised in this behalf by the Government or the Government of India on payment for credit to the War Risks (Goods) Insurance Fund established by the Government of India of such sum as the Government or the Government of India or such authority, as the case may be, thinks fit.

10. No suit, prosecution or other legal proceeding shall lie against any person for anything which is in good faith done or intended to be done under this Act.

11. (1) The Government may, by notification in the official Gazette, make rules to carry into effect the provisions of this Act.

(2) Subject to any other rules or any modification that may be made in exercise of the powers under sub-section (1) of this section, the rules for the time being in force under the Government of India's War Risks (Goods) Insurance Ordinance, 1940, shall *mutatis mutandis* be deemed to be the rules for the purposes of this Act in Mysore, and further all persons authorised by the Government of India under that Government's War Risks (Goods) Insurance Ordinance, 1940, and the rules framed thereunder for any of the purposes of that ordinance, shall be deemed to be authorised under this Act for corresponding purposes.

N. MADHAVA RAU,

Dewan.

No. D. 1212—I. & C. 60-42-3, dated Bangalore,
the 11th August 1942.

In pursuance of sub-section (1) of section 6 of the Mysore War Risks (Goods) Insurance Emergency Act, 1942 (XXXV of 1942), the Government of His Highness the Maharaja are pleased to prescribe the 31st day of August 1942, as the date for the purposes of the said sub-section.

By Order,

V. VEDAVYASACHARYA,

Secretary to Government,

Development Department

ORDINANCE No. XIV OF 1942.

An Ordinance further to amend the War Risks
(Goods) Insurance Ordinance, 1940.

(Published in the Gazette of India Extraordinary, dated
the 11th April, 1942)

IX of 1940.

WHEREAS an emergency has arisen which makes it necessary further to amend the War Risks (Goods) Insurance Ordinance, 1940, for the purposes hereinafter appearing ;

28 Geo. 5, c. 2.

Now, THEREFORE, in exercise of the powers conferred by section 72 of the Government of India Act, as set out in the Ninth Schedule to the Government of India Act, 1935, the Governor General is pleased to make and promulgate the following Ordinance :—

1. (1) This Ordinance may be called the War Risks (Goods) Insurance (Amendment) Ordinance, 1942.

Short title and
commence-
ment.

(2) It shall come into force at once.

IX of 1940.

2. In section 2 of the War Risks (Goods) Insurance Ordinance, 1940 (hereinafter referred to as the said Ordinance), after sub-clause (iv) of clause (c) the following sub-clause shall be inserted, namely :—

Amendment
of section 2,
Ordinance IX
of 1940

“(v) precautionary or preparatory measures taken under proper authority with a view to denying facilities to an enemy, being measures involving a substantial degree of damage to or diminution of the value of property”.

3. In section 3 of the said Ordinance,—

Amendment of
section 3,
Ordinance IX
of 1940.

(a) in sub-section (1),—

(i) in clause (a), after the words “all goods situated in British India” the words “or in that part of the territory of the State of Cochin which lies within the port limits of the Port of Cochin and the municipal limits of the Municipal Committees of Ernakulam and Muttancheri” shall be inserted ;

(ii) in clause (b), after the words “being goods situated in British India” the words “or in that part of the territory of the State of Cochin which lies within the port limits of

the

War Risks (Goods) Insurance [ORD. XIV OF 1942.]
(Amendment).

the Port of Cochin and the municipal limits of the Municipal Committees of Ernakulam and Muttancheri" shall be added ;

- (b) in sub-section (2), after the words "situated in British India" the words, brackets and figure "or in that part of the territory of the State of Cochin referred to in sub-section (1)" shall be inserted.

Amendment of section 5, Ordinance IX of 1940.

4. In sub-clauses (i) and (ii) of clause (b) of sub-section (1A) of section 5 of the said Ordinance, after the words "situated in British India" the words, brackets and figures "or in that part of the territory of the State of Cochin referred to in sub-section (1) of section 3" shall be inserted.

Insertion of new section 5A in Ordinance IX 1940.

5. After section 5 of the said Ordinance the following section shall be inserted, namely :—

Effect of change of rate of premium.

"5A. Where the rate of premium prescribed for the purposes of clause (b) of sub-section (2) of section 5 in respect of the period fixed for the purposes of clause (a) of that sub-section is altered, the rate as so altered shall be the rate applicable to all policies under which premiums are payable in respect of that period, notwithstanding that policies may have been issued on payment of premium at the rate in force before the alteration ; and any policy issued on payment of premium at the rate in force before the alteration shall, when the rate has been increased by the alteration, cease to be valid on such date as may be fixed in this behalf by the Central Government unless before such date any deficiency in the amount paid as premium is made good by the policy-holder."

Amendment of section 14, Ordinance IX of 1940.

6. In clause (b) of sub-section (2) of section 14 of the said Ordinance, for the words "maximum amount" the words "minimum amount" shall be substituted.

LINLITHGOW,
Viceroy and Governor General.

GOVERNMENT OF INDIA
LEGISLATIVE DEPARTMENT

New Delhi, the 13th May, 1942

ORDINANCE No. XIX OF 1942.

AN

ORDINANCE

further to amend the War Risks (Goods) Insurance Ordinance, 1940.

IX of 1940. WHEREAS an emergency has arisen which makes it necessary further to amend the War Risks (Goods) Insurance Ordinance, 1940, for the purposes herein-after appearing ;—

26 Geo. 5, c. 2. NOW, THEREFORE, in exercise of the powers conferred by section 72 of the Government of India Act as set out in the Ninth Schedule to the Government of India Act, 1935, the Governor General is pleased to make and promulgate the following Ordinance :—

1. (1) This Ordinance may be called the War Risks (Goods) Insurance (Second Amendment) Ordinance, 1942. Short title and commencement.

(2) It shall come into force at once.

IX of 1940. 2. In section 5 of the War Risks (Goods) Insurance Ordinance, 1940,—

(a) to sub-section (1A) the following clause shall be added, namely :—

“(c) to the undertaking by the Central Government in relation to a person carrying on any business in British India of the liability of insuring such person against war risks in respect of any goods situated in British India or in that part of the territory of the State of Cochin referred to in sub-section (1) of section 3, which, having been sold in British India for export from British India, are in his possession for the purpose of being shipped out of India, and are goods which were prior to such sale insurable under this Ordinance in relation to the person by whom they were then owned.”

(b) after sub-section (1A) the following sub-section shall be inserted, namely :—

“(1B) The War Risks (Goods) Insurance Scheme may also extend to the undertaking by the Central Government in relation to a Provincial Government of the liability of insuring the Provincial Government in such special cases as it thinks fit against war risks in respect of goods for the time being owned by the Provincial Government which are goods that would be goods insurable under this Ordinance if the Provincial Government were a person carrying on business in British India as a seller of goods of that description.”

LINLITHGOW,

Viceroy and Governor General.

G. H. SPENCE,

Secy. to the Govt. of India.

DEPARTMENT OF COMMERCE

NOTIFICATION

WAR RISKS INSURANCE

New Delhi, the 13th June 1942

No. 28-W.R.I./42.—In exercise of the powers conferred by sub-section (4) of section 3 of the War Risks (Goods) Insurance Ordinance, 1940 (No IX of 1940), the Central Government is pleased to direct that with effect from the 1st July 1942, the following further amendment shall be made in the notification of the Government of India in the Department of Commerce, No. 13-W.R.I./41, dated the 26th April 1941, namely:—

In the Schedule annexed to the said notification—

(1) for item 30, the following item shall be substituted, namely:—

“30. All articles made solely (except for fittings and embellishments) of gold, silver, platinum, palladium, iridium, rhodium, osmium and ruthenium.”

(2) item 31 shall be omitted.

A. H. LLOYD,

Secy. to the Govt. of India.

Copy forwarded to—

All Provincial Governments.

All Chief Commissioners.

All Departments of the Government of India (including the Military Finance, Defence Co-ordination and the Supply Department) and the Political Department.

The Central Board of Revenue.

GIPD—L171CD—26-6-42—1,000.

The Private Secretary to H. E. the Viceroy; Secretary to the Governor-General's Executive Council.
The D. G., C. I. and S., Calcutta.
The Bombay Insurance Associations, 6, Rampart Row, Bombay.
The Indian Insurance Companies Association, 102-A, Clive Street, Calcutta.
The Madras Fire Insurance Association, 2-6, Second Line Beach, Madras.
The Calcutta Insurance Association, Royal Exchange, Calcutta.
The Indian Insurance Companies Association, Industrial Assurance Buildings, Church Gate, Bombay.
The Secretary, Economic Resources Board.
The Economic Adviser to the Government of India.
The High Commissioner for India, Trade Department, London.
The Indian Government Trade Commissioners, Mombasa, New York and Alexandria.
The Indian Trade Agent, Kabul.
The Canadian Government Trade Commissioner Calcutta.
The American Consulate General, Calcutta.
The Royal Consulate General of Egypt, Bombay.
The Netherlands Consul-General, Simla.
His Majesty's Trade Commissioners in India, Calcutta and Bombay.
The Chief Censor.
The Director, Federation of British Industries, London.
The Federation of Indian Chambers of Commerce and Industry.
The Associated Chambers of Commerce of India.
All recognised Chambers of Commerce and Associations in India.
The East India Cotton Association, Ltd.
The Deputy Controller, Reserve Bank of India, Bombay.
The Special Officers, War Risks Insurance.
The Auditor General of India.
The Accountants General, Bombay, Madras, Bengal and Central Revenues.
The Secretary, Economic and Overseas Department, India Office, Whitehall, London.
The Secretary, War Risks Insurance Advisory Committee, 6, Rampart Row, Fort, Bombay.

By order, etc.,

N. N. WANCHOO,

Officer on Special Duty.

The War Risks (Goods) Insurance Ordinance, 1940.

Ordinance No. IX of 1940.

An Ordinance to make certain provisions for insurance of goods in British India against damage by enemy action.

Whereas an emergency has arisen which renders it necessary to make certain provisions for the insurance of goods in British India against damage by enemy action;

Now, therefore in exercise of the powers conferred by section 72 of the Government of India Act as set out in the Ninth Schedule to the Government of India Act, 1935, the Governor General is pleased to make and promulgate the following Ordinance:-

1. Short title, extent and commencement.--(1) This Ordinance may be called the War Risks (Goods) Insurance Ordinance, 1940.

(2) It extends to the whole of British India.

(3) It shall come into force on such date as the Central Government may, by notification, in the official Gazette, appoint.

2. Definitions.-- In this Ordinance, unless there is anything repugnant in the subject or context,--

(a) "agricultural products" means products of agriculture, horticulture or silviculture and includes growing crops, plants and trees;

(b) "goods" means any materials, commodities or articles and includes materials or articles used in or for the construction of ships up to the time at which a ship after construction is launched;

(c) "war risks" means such risks arising from action taken by an enemy, or from action taken in combating an enemy, or in repelling an imagined attack by an enemy, as may be prescribed;

(d) "live-stock" includes animals of any description;

(e) "prescribed" means prescribed by rules made under this Ordinance;

(f) "seller of goods" includes a seller of goods acting as an agent and, in relation to any person carrying on the business of selling goods as an agent, any reference in this Ordinance to goods produced by him or to goods not produced by him shall be construed as including a reference to goods produced, or, as the case may be, not produced by his principal;

(g) "situated in British India", when used with reference to goods,

goods, means situated on land or borne on inland waters in British India but does not include goods sea-borne in ports or maritime territorial waters.

3. Goods insurable under this Ordinance.-- (1) Subject to the provisions of this section--

(a) the following goods shall, in relation to any person carrying on business in British India as a seller of goods of any description produced by him, be deemed to be goods insurable under this Ordinance, that is to say, all goods situated in British India being either--

(i) goods of that description, or

(ii) goods used as material from which goods of that description are produced or as ingredients or component parts of goods of that description, and

(b) the following goods shall, in relation to any person carrying on business in British India as a seller of goods of any description not produced by him, be deemed to be goods insurable under this Ordinance, that is to say, all goods of that description being goods situated in British India.

2) In relation to a person carrying on in British India the business of selling agricultural products produced by him, all agricultural products and live-stock for the time being situated in British India shall, subject to the following provisions of this section, be deemed to be goods insurable under this Ordinance:

Provided that the Central Government may by general or special order direct that the provisions of section 7 shall not operate so as to require a person to be insured in respect of any goods which, in relation to that person would not, apart from the provisions of this sub-section, be goods insurable under this Ordinance.

(3) Things which, in relation to a person carrying on any business as a seller of goods, are at any time goods insurable under this Ordinance shall not cease to be goods so insurable by reason only that they are subsequently placed in or affixed to land under a contract of sale entered into by that persons in the course of that business.

(4) The Central Government may, by notification in the official Gazette, direct that goods of any description specified in the notification

notification shall, notwithstanding anything contained in this section, be deemed not to be goods insurable under this Ordinance.

4. Ownership.-- For the purposes of this Ordinance, any goods shall--

(a) in a case where--

(i) the property ⁱⁿ ~~of~~ the goods is or was at any time vested in a person, in relation to whom they are or were then goods insurable under this Ordinance, or

(ii) such a person is or was at any time entitled either conditionally or unconditionally to have the property in the goods vested in him, be taken to have been owned at that time by the person mentioned in sub-clause (i) or sub-clause (ii), as the case may be, of this clause; and

(b) in any other case, be taken to be or to have been owned at any time by any person who is or was at that time entitled to sell the goods as an agent:

Provided that any person carrying on a business in the course of which he constructs ships or parts of ships shall, in relation to ships or parts of ships constructed under contract in the course of that business, be deemed to be carrying on business as a seller of ships or parts of ships, as the case may be, and any ship or part of a ship so constructed and any goods appropriated for its construction, of which under the contract with him for the construction the person carrying on the business is not the owner, shall be deemed at all times before delivery under that contract to be owned in the course of that business by the person from time to time carrying on the business:

Provided ~~that~~ ^{that} further, any money received by him under a policy issued in pursuance of the War Risks (Goods) Insurance Scheme in respect of damage to any such ship, part of a ship or goods shall be held by him on trust for the owner of the ship, part or goods, subject, however, to any lien or charge which would otherwise be enforceable against the ship, part or goods.

5. War Risks Insurance Scheme.-- (1) The Central Government may, by notification in the official Gazette, put into operation a scheme [in this Ordinance referred to as the War Risks (Goods) Insurance Scheme] whereby ~~XXXXXXXXXXXXXXXXXXXX~~ the Central Government

Government undertakes, in relation to persons carrying on business in British India as sellers of goods, the liabilities of insuring such persons against war risks in respect of goods insurable under this Ordinance which are from time to time owned by such persons in the course of such business.

(2) The War Risks (Goods) Insurance Scheme shall be such as to secure--

(a) that any liability of the Central Government as insurers under the scheme is determined by a policy of insurance issued in the prescribed form and in respect of a period not exceeding the period for the time being prescribed in this behalf, by a person acting on behalf of the Central Government,

(b) that any premium under a policy so issued is payable at such rate as may be prescribed, and

(c) that the amount of any one premium payable under a policy so issued is not less than such sum as may be prescribed in this behalf.

(3) Different forms of policies. different rates of premium and different periods may be prescribed under sub-section (2) in relation to different descriptions of goods and according to the place at which and the circumstances in which the goods insured are situated.

(4) A policy of insurance in respect of any goods insurable under this Ordinance under the War Risks (Goods) Insurance Scheme may be issued to a person carrying on the business of banking who is interested in such goods by reason of any pledge or mortgage or charge, as well as to the person in relation to whom the goods are insurable under this Ordinance.

6. Employment of agents by Central Government.-- The Central Government may employ or authorise the employment of any person or firm to act as its agent for any of the purposes of this Ordinance and may pay to persons or firms so employed such remuneration as the Central Government thinks fit:

Provided that no person or firm shall be so employed unless that person or firm is either--

(a) a member of an association prescribed in this behalf, or

(b) a person ^awho in British India has standing contract with underwriters who are members of the Society of Lloyd's, whereby such person is authorised within the terms of such contract to issue protection notes, cover notes or other documents granting insurance against war risks.

7. Compulsory Insurance.-- (1) No person shall, after such date as may be specified in this behalf by the Central Government by notification in the official Gazette, carry on any business in British India as a seller of goods, unless, in respect of any goods insurable under this Ordinance which are for the time being owned by him in the course of that business, there is in force a policy of insurance against war risks issued in accordance with the War Risks (Goods) Insurance Scheme, whereby he is insured in respect of such goods for a sum not less than the value thereof for the time being:

Provided that nothing in this sub-section shall restrict the carrying on of business as aforesaid by any person, if and so long as the value of all goods insurable under this Ordinance which are for for the time being owned by him within one and the same Presidency town or district in the course of that business does not exceed such amount as may be prescribed in this behalf.

(2) Whoever contravenes the provisions of sub-section (1) shall be punishable with fine which may extend to one thousand rupees and with a further fine which may extend to five hundred rupees for every day after the first on which the contravention continues.

8. Restriction on carrying on certain insurance business.-- (1) After the date on which the War Risks (Goods) Insurance Scheme is put into operation, no person shall, except as a person authorised by the Central Government as their agent to issue policies in pursuance of that scheme, carry on the business of insuring persons carrying on business in British India, as sellers of goods, against war risks in respect of goods insurable under this Ordinance which are from time to time owned by such persons in the course of such business as is last mentioned.

(2) Whoever contravenes the provisions of sub-section (1) shall

shall be punishable with fine which may extend to five thousand rupees and with a further fine which may extend to one thousand rupees for every day after the first on which the contravention continues.

9. War Risks Insurance Fund--(1) The Central Government shall establish a fund for the purposes of this Ordinance, to be called the War Risks (Goods) Insurance Fund, into which shall be paid all sums received by the Central Government by way of insurance premiums under the War Risks Insurance Scheme, and out of which shall be paid all sums required for the discharge by the Central Government of any of its liabilities under the War Risks Insurance Scheme, or for the payment by the Central Government of the remuneration and expenses of agents employed for the purposes of that scheme.

(2) If, at any time when a payment is to be made out of the said fund, the sum standing to the credit of the fund is less than the sum required for the making of that payment, an amount equal to the deficiency shall be paid into the fund as an advance out of general revenues.

(3) If at any time, the amount standing to the credit of the fund exceeds the sum which, in the opinion of the Central Government, is likely to be required for the making of payments out of the fund, the excess shall be paid into general revenues.

(4) The Central Government shall prepare in such form and manner as may be prescribed, and shall publish either annually or at such shorter intervals as may be prescribed, an account of all sums received into and paid out of the War Risks (Goods) Insurance Fund.

10. Power of Central Government to obtain information-- (1) Any person authorised in this behalf by the Central Government may at all reasonable times enter any premises occupied by any person carrying on in British India the business of fire insurance or of a seller of goods, and may inspect the premises and may require any person found therein, who is for the time being in charge thereof, to produce to him and allow him to examine such accounts, books or other documents as may relate to the business carried on in the premises, and to furnish to him such information as he may reasonably require for the

the purpose of ascertaining whether or not any person has insured any goods against war risks, and, if so, for what value.

(2) Whoever wilfully obstructs any person in the exercise of his powers under this section or fails without reasonable excuse to comply with a ~~request~~ made thereunder shall, in respect of each occasion on which any such obstruction or failure takes place, be punishable with fine which may extend to five hundred rupees.

(3) Whoever, in purporting to comply with his obligations under this section, knowingly or recklessly makes a statement false in a material particular, shall be punishable with fine which may extend to one thousand rupees.

11. Refund of premiums in certain cases.-- Where goods of any description have been insured by a seller of goods for any period, and before that period has elapsed goods of that description have ceased, by virtue of a notification under sub-section (4) of section 3, to be goods insurable under this Ordinance, the person who has insured such goods shall be entitled to a proportionate refund of premium.

12. Limitations on prosecutions.-- ~~Notwithstanding~~ No prosecution for any offence punishable under this Ordinance shall be instituted against any person except by or with the consent of the Central Government or an authority authorised in this behalf by the Central Government.

13. Bar of legal proceedings.-- No suit, prosecution or other legal proceedings shall lie against any person for anything which is in good faith done or intended to be done under this Ordinance.

14. Power to make rules.-- (1) The Central Government may, by notification in the official Gazette, make rules to carry into effect the provisions of this Ordinance.

(2) Without prejudice to the generality of the foregoing power, such rules may prescribe--

(a) the risks which shall be deemed to be war risks for the purposes of clause (c) of section 2;

(b) the forms of the policies of insurance referred to in sub-section (2) of section 5, the maximum period in respect of which such policies shall be issued, the rates at which premiums on such policies

policies shall be payable, and the maximum amount which shall be payable as any one premium on such policies;

(c) the associations to be prescribed for the purposes of clause (a) of the proviso to section 6;

(d) the maximum amount to be prescribed for the purposes of the proviso to sub-section (1) of section 7;

(e) the form of and the manner of preparing the account referred to in sub-section (4) of section 9 and the intervals at which such account shall be published.

14

copy.

Subd as desired.

Dev Sy)

14/10/12

A soft Final Note is also put up
to save time. After $\odot^n$ of the file to
other two ministers, the file may be kindly
submitted to the Min F & R, with the D.F.N.

Ch Secy
w/Comps

UG
1/8/42

D. F. N.

Subject: War Risks (Goods) Insurance
Emergency Act.

I submit herewith for His Highness
gracious perusal a letter, dated 14th
July 1942, received from the Government
of India agreeing to extend the
Government of India War Risks (Goods)
Insurance Scheme to the Mysore State
and indicating the points on which
further action has to be taken in
the matter. 1. Immediate action has to
be taken accordingly to pass ^{an Act} ~~a Law~~
here corresponding to the Government
of India Ordinance, requiring sellers
of goods in the State to effect
insurance against War Risks under the
Government of India Scheme. The
Government of India also want the State
to give an undertaking effectively to
preclude suing of the Government of
India (Qua Insurer) in the courts of
the State. The Government of India
further state that as the contract of
insurance will be between the persons
in the State and the Governor-General,
the Government of India will insert the
following conditions in the policies
of insurance to be issued in respect

respect of the goods situated in the State:

(i) that the contract shall be deemed to be made in British India;

(ii) that claims under the policy shall be settled in British India, and

(iii) that the insured agrees to submit to the jurisdiction of the Courts in British India for all matters arising out of or in connection with the policy of insurance.

It is proposed to agree to the above conditions and give the necessary undertaking.

3. As the Government of India desire that all sellers of goods of the kinds which are insurable under the Ordinance, in the State must insure before the 31st August 1942, necessary legislation will have to be enacted immediately. Draft of an Emergency Bill prepared on the lines indicated by the Government of India is submitted herewith.

After the Act is promulgated

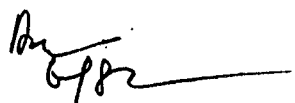
further action will be taken in the matter of giving wide publicity to the provisions of the Scheme and the Rules issued by the Government of India, which are applicable Mutatis Mutandis in the State. Action will also be taken in due course to place the Bill in this behalf before the Legislature, if found necessary.

5. The Dewan and the other Ministers have agreed to the proposals. Gracious sanction of His Highness is solicited for the promulgation of the draft Bill put up as an Emergency Act in the first instance and to proceed with it in the Representative Assembly and the Legislative Council, if the continuance of the Scheme be considered necessary.

WJ
1/8/42

Cp

1/8/42


MINISTER,
FINANCE & REVENUE.

The Mysore War Risks (Goods) Insurance Bill,
1942.

....

STATEMENT OF PRINCIPLES.

The question of extending ^{to Mysore} the scheme for insurance of goods against war risks ~~in force in British India to Mysore~~ has been under the consideration of the Government for sometime. This matter was the subject of correspondence with the Government of India who ~~have now~~ agreed to extend their scheme to Mysore and ~~have~~ amended their Ordinance in this behalf. Statutory provision became necessary to enforce insurance in Mysore under that scheme and for incidental purposes and an Emergency Act ^{was therefore} ~~has been~~ promulgated ^{in August 1942} ~~for this purpose~~. As this Act expires six months after ^{the date of} promulgation and the continuance of the scheme thereafter is necessary, the present Bill has been brought forward.

THE MYSORE WAR RISKS (GOODS) INSURANCE BILL, 1942.

Statement of Principles.

The question of extending to Mysore the scheme for insurance of goods against war risks has been under the consideration of the Government for some time. This matter was the subject of correspondence with the Government of India, who agreed to extend their scheme to Mysore and amended their Ordinance in this behalf. Statutory provision became necessary to enforce insurance to Mysore under that scheme and for incidental purposes and an Emergency Act was therefore promulgated in August 1942. As this Act expires six months after the date of promulgation and the continuance of the scheme thereafter is necessary, the present Bill has been brought forward.

NOTIFICATIONS.

Order No. R. L. 175—Legis. 15-42-1, dated Bangalore,
the 11th August 1942.

Ordered that the accompanying Mysore War Risks (Goods) Insurance Emergency Act, 1942, which received the assent of His Highness the Maharaja on the 8th day of August 1942, be published as Act No. XXXV of 1942, in the *Mysore Gazette*, for general information.

C. NARAYANASWAMY NAIDU,
Secretary to Government,
Law Department.

~~ACT No. XXXV OF 1942.~~

**THE MYSORE WAR RISKS (GOODS) INSURANCE *Bill*
EMERGENCY ACT, 1942.**

~~(Received the assent of His Highness the Maharaja
on the eighth day of August 1942)~~

A Bill

**An Act to make certain provisions for the insurance of
goods in Mysore against damage by enemy action.**

it is expedient
WHEREAS ~~the Government of His Highness the
Maharaja is satisfied that circumstances exist which
render it necessary to make certain provisions for the
insurance of goods in Mysore against damage by enemy
action ;~~

~~Now therefore, in exercise of the powers conferred by
sub-section (1) of section 31 of the Government of Mysore
Act 1940 (XVIII of 1940) ;~~

It is hereby enacted as follows :—

1. (i) This Act may be called the Mysore War Risks (Goods) Insurance Emergency Act, 1942
- (ii) It extends to the whole of Mysore
- (iii) It shall come into force at once,

2. In this Act unless there is anything repugnant in the subject or context,—

(a) “agricultural products” means products of agriculture, horticulture or silviculture and includes growing crops, plants and trees;

(b) “goods” means any materials, commodities or articles and includes materials or articles used in or for the construction of ships up to the time at which a ship after construction is launched;

(c) “war risks” means such risks arising from—

(i) action taken by an enemy or action taken in combating an enemy or in repelling an imagined attack by an enemy,

(ii) measures taken under proper authority to avoid the spreading of, or otherwise to mitigate, the consequences of damage occurring (whether accidentally or not) as the direct result of any such action as aforesaid,

(iii) precautionary or preparatory measures taken under proper authority with a view to preventing or hindering the carrying out of any attack by an enemy, being measures involving a substantial degree of risk to property,

(iv) precautionary or preparatory measures involving the doing of work on land and taken under proper authority in any way in anticipation of enemy action, being measures involving a substantial degree of risk to property,

(v) precautionary or preparatory measures taken under proper authority with a view to denying facilities to the enemy, being measures involving a substantial degree of damage to, or diminution of the value of property,

as may be prescribed;

(d) “live-stock” includes animals of any description;

(e) “prescribed” means prescribed by rules made under this Act;

(f) “seller of goods” includes a seller of goods acting as an agent, and, in relation to any person carrying on the business of selling goods as an agent, any reference in this Act, to goods produced by him or to goods not produced by him shall be construed as including a reference to goods produced, or as the case may be, not produced by his principal.

3. (1) Subject to the provisions of this section—

(a) the following goods shall, in relation to any person carrying on business in Mysore as a seller of goods of any description produced by him, be deemed to be goods insurable under this Act, that is to say, all goods situated in Mysore being either—

(i) goods of that description, or

(ii) goods used as material from which goods of that description are produced or as ingredients or component parts of goods of that description; and

(b) the following goods shall, in relation to any person carrying on business in Mysore as a seller of goods of any description not produced by him, be deemed to be goods insurable under this Act, that is to say, all goods of that description being goods situated in Mysore.

(2) In relation to a person carrying on in Mysore the business of selling agricultural products produced by him, all agricultural products and live-stock for the time being situated in Mysore, shall, subject to the following provisions of this section, be deemed to be goods insurable under this Act:

Provided that the Government may, by general or special order, direct that the provisions of section 6 shall not operate so as to require a person to be insured in respect of any goods which, in relation to that person would not, apart from the provisions of this sub-section, be goods insurable under this Act.

(3) Things which, in relation to a person carrying on any business as a seller of goods, are at any time goods insurable by reason only that they are subsequently placed in or affixed to land under a contract of sale entered into by that person in the course of that business.

(4) The Government may, by notification in the official Gazette, direct that goods of any description specified in the notification shall, notwithstanding anything contained in this section, be deemed not to be goods insurable under this Act.

4. (1) Save in so far as is otherwise expressly provided in this Act, any goods shall, subject to the provisions

of this section, be deemed for the purposes of this Act to be owned—

(a) if the property in the goods is for the time being vested in a person in relation to whom they are insurable under this Act, by that person ;

(b) if the property in the goods is not so vested, by any person in relation to whom the goods are insurable under this Act and who is for the time being entitled, either unconditionally, or conditionally to have the property in the goods vested in him ;

Provided that where—

(i) any goods would, under the foregoing provisions of this sub-section, be deemed to be owned by a person in whom the property therein is vested otherwise than in the course of a business carried on by him in Mysore, or who is entitled to have the property therein vested in him otherwise than in the course of such a business, and

(ii) any person carrying on business in Mysore is for the time being entitled to sell the goods as agent,

the goods shall be deemed to be owned by the last mentioned person.

(2) Where in the course of any business a ship is being, or has been constructed under contract, and the ship or any part thereof or any goods appropriated for the construction thereof—

(a) would, apart from the provisions of this sub-section, have been deemed for the purposes of this Act to be owned at any time by the person from time to time carrying on the business, or

(b) have at any time been accepted, in pursuance of a contract made with him by the person from time to time carrying on the business,

then, notwithstanding that they would not, apart from the said provisions, be deemed for the said purposes to be owned by the person from time to time carrying on the business, the ship and any part thereof and any goods so appropriated as aforesaid shall, subject to the provisions of sub-section (3). be deemed, in a case to which clause (a)

applies, to continue to be owned by the person from time to time carrying on the business until the acceptance of the ship, in pursuance of the contract in question, by the person for whom it is being, or has been, constructed and in a case to which clause (b) applies, to be owned by the person from time to time carrying on the business at all times between the acceptance referred to in the said clause (b) and the acceptance of the ship as aforesaid by the person for whom it is being, or has been, constructed.

(3) The provisions of sub-section (2) shall apply in relation to the construction under contract in the course of a business, of part of a ship, not being part of a ship which is being, or has been, constructed by the person from time to time carrying on the business, as they apply in relation to the construction of a ship—

- (a) with the substitution for references to a ship of references to part of a ship ;
- (b) where the contract for the part of the ship is with the person for whom the ship is being constructed, with the substitution for references to the acceptance of the ship under the contract in question of references to the acceptance of the ship under the contract for the construction thereof.
- (c) where the contract for the part of the ship is with any other person, with the substitution for references to the acceptance of the ship under the contract in question of references to the acceptance of the part of the ship under the contract for the construction of the part by the person for whom it is being, or has been, constructed.

(4) Where the person from time to time carrying on a business receives any money, under a policy issued in pursuance of the War Risks (Goods) Insurance Scheme of the Government of India, in respect of the loss of or damage to a ship, part of a ship or goods which are deemed to be owned by him by virtue of sub-section (2) or sub-section (3), the money shall be held by him on trust for the person who, apart from the provisions of these sub-sections, would be deemed for the purposes of this Act to be the owner of the ship, part or goods, subject however, to any lien or charge which would otherwise be enforceable against the ship, part or goods, and subject also

to the right to retain out of the money the amount of any expenses reasonably incurred by the first mentioned person in making good any part of the loss or damage which he is liable to make good.

5. The War Risks (Goods) Insurance Scheme operated by the Government of India under that Government's War Risks (Goods) Insurance Ordinance, 1940, shall have effect in Mysore to the same extent and in the same manner as if it had been put into operation under a law of Mysore.

6. (1) No person shall after such date as may be prescribed in this behalf by the Government, carry on business in Mysore as seller of goods, unless in respect of insurable goods situated in Mysore for the time being owned by him in the course of his business, there is in force a policy of insurance against war risks issued by the authority operating the War Risks (Goods) Insurance Scheme of the Government of India:

Provided that nothing in this sub-section shall restrict the carrying on of business as aforesaid by any person, if and so long as the value of all goods insurable which are for the time being owned by him within Mysore in the course of that business does not exceed the sum of Rs. 20,000 :

Provided further that the Government may declare that the provisions of this sub-section shall not apply to the carrying on of business as aforesaid by any person in respect of goods of any description specified in such declaration.

(2) Whoever contravenes the provisions of sub-section (1) shall be punishable with a fine which may extend to Rs. 1,000 and with a further fine which may extend to Rs. 500 for every day after the first on which the contravention continues.

7. Any person authorised in this behalf by the Government or the Government of India may, for the purpose of ascertaining whether or not any person has insured any goods against war risks, and, if so, for what value—

(a) require any person carrying on in Mysore the business of fire insurance or of a seller of goods to submit to him such accounts, books or other documents or to furnish to him such information as he may reasonably think necessary, or

(b) at any reasonable time enter any premises occupied by any person carrying on in Mysore any such business and inspect the premises and require any person found therein who is for the time being in charge thereof to produce to him and allow him to examine such accounts, books or other documents as may relate to the business carried on in the premises or to furnish to him such information as he may reasonably think necessary.

(2) Whoever wilfully obstructs any person in the exercise of his powers under this section or fails without reasonable excuse to comply with a request made thereunder shall, in respect of each occasion on which any such obstruction or failure takes place, be punishable with fine which may extend to five hundred rupees.

(3) Whoever, in purporting to comply with his obligations under this section, knowingly or recklessly makes a statement false in a material particular, shall be punishable with fine which may extend to one thousand rupees.

8. No prosecution for any offence punishable under this Act shall be instituted against any person except by or with the consent of the Government or an authority authorised in this behalf by the Government.

9. Any offence punishable under sub-section (2) of section 6 may, either before or after the institution of the prosecution, be compounded by the Government or the Government of India or by any authority authorised in this behalf by the Government or the Government of India on payment for credit to the War Risks (Goods) Insurance Fund established by the Government of India of such sum as the Government or the Government of India or such authority, as the case may be, thinks fit.

10. No suit, prosecution or other legal proceeding shall lie against any person for anything which is in good faith done or intended to be done under this Act.

11. (1) The Government may, by notification in the official Gazette, make rules to carry into effect the provisions of this Act.

(2) Subject to any other rules or any modification that may be made in exercise of the powers under sub-section (1) of this section, the rules for the time being in force under the Government of India's War Risks (Goods) Insurance Ordinance, 1940, shall *mutatis mutandis* be deemed to be the rules for the purposes of this Act in

Mysore, and further all persons authorised by the Government of India under that Government's War Risks (Goods) Insurance Ordinance, 1940, and the rules framed thereunder for any of the purposes of that ordinance, shall be deemed to be authorised under this Act for corresponding purposes.

~~N. MADHAVA RAU,~~

Deewan

~~No. D. 1212-I. & C. 60-42-2, dated Bangalore,
the 11th August 1942.~~

In pursuance of sub-section (1) of section 6 of the Mysore War Risks (Goods) Insurance Emergency Act, 1942 (XXXV of 1942), the Government of His Highness the Maharaja are pleased to prescribe the 31st day of August 1942, as the date for the purposes of the said sub-section.

By Order,

V. VEDAVYASACHARYA,

Secretary to Government,
Development Department.

(12)
Repeal
and
Savings

The Mysore War Risks (Goods) Insurance Emergency Act, 1942 (~~XXXV~~ of 1942), is hereby repealed. But any rules made, any thing done and any action taken in exercise of any power conferred by or under the said Emergency Act shall be deemed to have been made, done or taken, in exercise of powers conferred by or under this Act, as if this Act had commenced on the 8th day of August 1942.

2. THE MYSORE WAR RISKS (GOODS) INSURANCE BILL.

Statement of Principles.

The question of extending to Mysore the scheme for insurance of goods against war risks has been under the consideration of the Government for some time. This matter was the subject of correspondence with the Government of India, who agreed to extend their scheme to Mysore and amended their Ordinance in this behalf. Statutory provision became necessary to enforce insurance to Mysore under that scheme and for incidental purposes and an Emergency Act was therefore promulgated in August 1942. As this Act expires six months after the date of promulgation and the continuance of the scheme thereafter is necessary, the present Bill has been brought forward.

THE MYSORE WAR RISKS (GOODS) INSURANCE BILL.

A Bill to make certain provisions for the insurance of goods in Mysore against damage by enemy action.

WHEREAS it is expedient to make certain provisions for the insurance of goods in Mysore against damage by enemy action ;

It is hereby enacted as follows :—

1. (i) This Act may be called the Mysore War Risks (Goods) Insurance Emergency Act, 194 .
- (ii) It extends to the whole of Mysore.
- (iii) It shall come into force at once.

2. In this Act unless there is anything repugnant in the subject or context,—

(a) " agricultural products " means products of agriculture, horticulture or silviculture and includes growing crops, plants and trees ;

(b) " goods " means any materials, commodities or articles and includes materials or articles used in or for the construction of ships up to the time at which a ship after construction is launched ;

(c) " war risks " means such risks arising from—

(i) action taken by an enemy or action taken in combating an enemy or in repelling an imagined attack by an enemy,

(ii) measures taken under proper authority to avoid the spreading of, or otherwise to mitigate, the consequences of damage occurring (whether accidentally or not) as the direct result of any such action as aforesaid,

(iii) precautionary or preparatory measures taken under the proper authority with a view to preventing or hindering the carrying out of any attack by an enemy, being measures involving a substantial degree of risk to property,

(iv) precautionary or preparatory measures involving the doing of work on land and taken under proper authority in any way in anticipation of enemy action, being measures involving a substantial degree of risk to property,

Forced

10/11/42

14/10/42

(v) precautionary or preparatory measures taken under proper authority with a view to denying facilities to the enemy, being measures involving a substantial degree of damage to, or diminution of the value of property,

as may be prescribed;

(d) "live-stock" includes animals of any description;

(e) "prescribed" means prescribed by rules made under this Act;

(f) "seller of goods" includes a seller of goods acting as an agent, and, in relation to any person carrying on the business of selling goods as an agent, any reference in this Act, to goods produced by him or to goods not produced by him shall be construed as including a reference to goods produced, or as the case may be, not produced by his principal.

3. (1) Subject to the provisions of this section—

(a) the following goods shall, in relation to any person carrying on business in Mysore as a seller of goods of any description produced by him, be deemed to be goods insurable under this Act, that is to say, all goods situated in Mysore being either—

(i) goods of that description, or

(ii) goods used as material from which goods of that description are produced or as ingredients or component parts of goods of that description; and

(b) the following goods shall, in relation to any person carrying on business in Mysore as a seller of goods of any description not produced by him, be deemed to be goods insurable under this Act, that is to say, all goods of that description being goods situated in Mysore.

(2) In relation to a person carrying on in Mysore the business of selling agricultural products produced by him, all agricultural products and live-stock for the time being situated in Mysore, shall, subject to the following provisions of this section, be deemed to be goods insurable under this Act:

Provided that the Government may, by general or special order, direct that the provisions of section 6 shall not operate so as to require a person to be insured in respect of any goods which, in relation to that person would not, apart from the provisions of this sub-section, be goods insurable under this Act.

(3) Things which, in relation to a person carrying on any business as a seller of goods, are at any time goods insurable by reason only that they are subsequently placed in or affixed to land under a contract of sale entered into by that person in course of that business.

Under this Act shall not cease to be goods so insurable

(4) The Government may, by notification in the official Gazette, direct that goods of any description specified in the notification shall, notwithstanding anything contained in this section, be deemed not to be goods insurable under this Act.

4. (1) Save in so far as is otherwise expressly provided in this Act, any goods shall, subject to the provisions of this section, be deemed for the purposes of this Act to be owned—

Please verify wording reference to Bill. Section 3.

The missing words have been inserted

(a) if the property in the goods is for the time being vested in a person in relation to whom they are insurable under this Act, by that person ;

(b) if the property in the goods is not so vested, by any person in relation to whom the goods are insurable under this Act and who is for the time being entitled, either unconditionally, or conditionally to have the property in the goods vested in him ;

Provided that where—

- (i) any goods would, under the foregoing provisions of this sub-section, be deemed to be owned by a person in whom the property therein is vested otherwise than in the course of a business carried on by him in Mysore, or who is entitled to have the property therein vested in him otherwise than in the course of such a business, and
- (ii) any person carrying on business in Mysore is for the time being entitled to sell the goods as agent,

the goods shall be deemed to be owned by the last mentioned person.

(2) Where in the course of any business a ship is being, or has been constructed under contract, and the ship or any part thereof or any goods appropriated for the construction thereof—

- (a) would, apart from the provisions of this sub-section, have been deemed for the purposes of this Act to be owned at any time by the person from time to time carrying on the business, or
- (b) have at any time been accepted, in pursuance of a contract made with him by the person from time to time carrying on the business,

then, notwithstanding that they would not, apart from the said provisions, be deemed for the said purposes to be owned by the person from time to time carrying on the business, the ship and any part thereof and any goods so appropriated as aforesaid shall, subject to the provisions of sub-section (3), be deemed, in a case to which clause (a) applies, to continue to be owned by the person from time to time carrying on the business until the acceptance of the ship, in pursuance of the contract in question, by the person for whom it is being, or has been, constructed and in a case to which clause (b) applies, to be owned by the person from time to time carrying on the business at all times between the acceptance referred to in the said clause (b) and the acceptance of the ship as aforesaid by the person for whom it is being, or has been, constructed.

(3) The provisions of sub-section (2) shall apply in relation to the construction under contract in the course of a business, of part of a ship, not being part of a ship which is being, or has been, constructed by the person from time to time carrying on the business, as they apply in relation to the construction of a ship—

- (a) with the substitution for references to a ship of references to part of a ship ;
- (b) where the contract for the part of the ship is with the person for whom the ship is being constructed, with the substitution for references

to the acceptance of the ship under the contract in question of references to the acceptance of the ship under the contract for the construction thereof.

- (c) where the contract for the part of the ship is with any other person, with the substitution for references to the acceptance of the ship under the contract in question of references to the acceptance of the part of the ship under the contract for the construction of the part by the person for whom it is being, or has been, constructed.

(4) Where the person from time to time carrying on a business receives any money, under a policy issued in pursuance of the War Risks (Goods) Insurance Scheme of the Government of India, in respect of the loss of or damage to a ship, part of a ship or goods which are deemed to be owned by him by virtue of sub-section (2) or sub-section (3), the money shall be held by him on trust for the person who, apart from the provisions of these sub-sections, would be deemed for the purposes of this Act to be the owner of the ship, part or goods, subject however, to any lien or charge which would otherwise be enforceable against the ship, part or goods, and subject also to the right to retain out of the money the amount of any expenses reasonably incurred by the first mentioned person in making good any part of the loss or damage which he is liable to make good.

5. The War Risks (Goods) Insurance Scheme operated by the Government of India under that Government's War Risks (Goods) Insurance Ordinance, 1940, shall have effect in Mysore to the same extent and in the same manner as if it had been put into operation under a law of Mysore.

6. (1) No person shall, after such date as may be prescribed in this behalf by the Government, carry on business in Mysore as seller of goods, unless in respect of insurable goods situated in Mysore for the time being owned by him in the course of his business, there is in force a policy of insurance against war risks issued by the authority operating the War Risks (Goods) Insurance Scheme of the Government of India:

Provided that nothing in this sub-section shall restrict the carrying on of business as aforesaid by any person if and so long as the value of all goods insurable which are for the time being owned by him within Mysore in the course of that business does not exceed the sum of Rs. 20,000:

Provided further that the Government may declare that the provisions of this sub-section shall not apply to the carrying on of business as aforesaid by any person in respect of goods of any description specified in such declaration.

(2) Whoever contravenes the provisions of sub-section (1) shall be punishable with a fine which may extend to Rs. 1,000 and with a further fine which may extend to Rs. 500 for every day after the first on which the contravention continues.

7. Any person authorised in this behalf by the Government or the Government of India may, for the purpose of ascertaining whether or not any person has

insured any goods against war risks. and. if so. for what value—

(a) require any person carrying on in Mysore the business of fire insurance or of a seller of goods to submit to him such accounts, books or other documents or to furnish to him such information as he may reasonably think necessary, or

(b) at any reasonable time enter any premises occupied by any person carrying on in Mysore any such business and inspect the premises and require any person found therein who is for the time being incharge thereof to produce to him and allow him to examine such accounts, books or other documents as may relate to the business carried on in the premises or to furnish to him such information as he may reasonably think necessary.

(2) Whoever wilfully obstructs any person in the exercise of his powers under this section or fails without reasonable excuse to comply with a request made thereunder shall, in respect of each occasion on which any such obstruction or failure takes place, be punishable with fine which may extend to five hundred rupees.

(3) Whoever in purporting to comply with his obligations under this section, knowingly or recklessly makes a statement false in a material particular shall be punishable with fine which may extend to one thousand rupees.

8. No prosecution for any offence punishable under this Act shall be instituted against any person except by or with the consent of the Government or an authority authorised in this behalf by the Government.

9. Any offence punishable under sub-section (2) of section 6 may, either before or after the institution of the prosecution, be compounded by the Government or the Government of India or by any authority authorised in this behalf by the Government or the Government of India on payment for credit to the War Risks (Goods) Insurance Fund established by the Government of India of such sum as the Government or the Government of India or such authority, as the case may be, thinks fit.

10. No suit, prosecution or other legal proceeding shall lie against any person for anything which is in good faith done or intended to be done under this Act.

11. (1) The Government may, by notification in the official Gazette make rules to carry into effect the provisions of this Act.

(2) Subject to any other rules or any modification that may be made in exercise of the powers under sub-section (1) of this section, the rules for the time being in force under the Government of India's War Risks (Goods) Insurance Ordinance, 1940, shall *mutatis mutandis* be deemed to be the rules for the purposes of this Act in Mysore, and further all persons authorised by the Government of India under that Government's War Risks (Goods) Insurance Ordinance, 1940 and the rules framed thereunder for any of the purposes of that ordinance, shall be deemed to be authorised under this Act for corresponding purposes.

12. *Repeal and Savings.*—The Mysore War Risks (Goods) Insurance (Emergency) Act, 1942 (XXXV of 1942), is hereby repealed. But any rules made, any thing done and any action taken in exercise of any power

Hand copy

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE.

to... *RL 557 Legis 1542* General and Revenue Secretariat,
Dated Bangalore, *11th* November 1942.

NOTIFICATION

Under the provisions of rule 30 of the Mysore Legislative Rules, 1941, the Dewan has been pleased to order the publication in the Gazette of the accompanying
Mysore War Risks (Goods) Insurance Bill
together with the Statement of Objects and Reasons.

By Order,

BCK
In Secretary to Government,
Law Department.
20.

To
The Compiler, Mysore Gazette, for publication in part 17
of the Gazette and supply of 350 copies to the
Secretariat.

Copy to the Translation Section

Memo No *RL 558* dated Bangalore *11th* November

*Copy of the above is forwarded with compliance
to the Secretary, Legislative Council, for
information*

By order,
BCK
to Secy to Govt
Law Dept.

2. THE MYSORE WAR RISKS (GOODS) INSURANCE BILL.

Statement of Objects and Reasons
Statement of Principles.

The question of extending to Mysore the scheme for insurance of goods against war risks has been under the consideration of the Government for some time. This matter was the subject of correspondence with the Government of India, who agreed to extend their scheme to Mysore and amended their Ordinance in this behalf. Statutory provision became necessary to enforce insurance to Mysore under that scheme and for incidental purposes and an Emergency Act was therefore promulgated in August 1942. As this Act expires six months after the date of promulgation and the continuance of the scheme thereafter is necessary, the present Bill has been brought forward.

THE MYSORE WAR RISKS (GOODS) INSURANCE BILL.

A Bill to make certain provisions for the insurance of goods in Mysore against damage by enemy action.

WHEREAS it is expedient to make certain provisions for the insurance of goods in Mysore against damage by enemy action ;

It is hereby enacted as follows :—

1. (i) This Act may be called the Mysore War Risks (Goods) Insurance ~~Emergency~~ Act, 194 .
- (ii) It extends to the whole of Mysore.
- (iii) It shall come into force at once.

*Short title,
Extent and
commencement*

2. In this Act unless there is anything repugnant in the subject or context,—

Definitions

(a) "agricultural products" means products of agriculture, horticulture or silviculture and includes growing crops, plants and trees ;

(b) "goods" means any materials, commodities or articles and includes materials or articles used in or for the construction of ships up to the time at which a ship after construction is launched ;

(c) "war risks" means such risks arising from—

(i) action taken by an enemy or action taken in combating an enemy or in repelling an imagined attack by an enemy,

(ii) measures taken under proper authority to avoid the spreading of, or otherwise to mitigate, the consequences of damage occurring (whether accidentally or not) as the direct result of any such action as aforesaid,

(iii) precautionary or preparatory measures taken under the proper authority with a view to preventing or hindering the carrying out of any attack by an enemy, being measures involving a substantial degree of risk to property,

(iv) precautionary or preparatory measures involving the doing of work on land and taken under proper authority in any way in anticipation of enemy action being measures involving a substantial degree of risk to property,

(v) precautionary or preparatory measures taken under proper authority with a view to denying facilities to the enemy, being measures involving a substantial degree of damage to, or diminution of the value of property,

as may be prescribed ;

(d) "live-stock" includes animals of any description ;

(e) "prescribed" means prescribed by rules made under this Act ;

(f) "seller of goods" includes a seller of goods acting as an agent, and, in relation to any person carrying on the business of selling goods as an agent, any reference in this Act, to goods produced by him or to goods not produced by him shall be construed as including a reference to goods produced, or as the case may be, not produced by his principal.

3. (1) Subject to the provisions of this section—

(a) the following goods shall, in relation to any person carrying on business in Mysore as a seller of goods of any description produced by him, be deemed to be goods insurable under this Act, that is to say, all goods situated in Mysore being either—

Goods insurable under this Act

(i) goods of that description, or

(ii) goods used as material from which goods of that description are produced or as ingredients or component parts of goods of that description ; and

(b) the following goods shall, in relation to any person carrying on business in Mysore as a seller of goods of any description not produced by him, be deemed to be goods insurable under this Act, that is to say, all goods of that description being goods situated in Mysore.

(2) In relation to a person carrying on in Mysore the business of selling agricultural products produced by him, all agricultural products and live-stock for the time being situated in Mysore, shall, subject to the following provisions of this section, be deemed to be goods insurable under this Act :

Provided that the Government may, by general or special order, direct that the provisions of section 6 shall not operate so as to require a person to be insured in respect of any goods which, in relation to that person would not, apart from the provisions of this sub-section, be goods insurable under this Act.

Under this Act shall not cease to be goods so insurable
(3) Things which, in relation to a person carrying on any business as a seller of goods, are at any time goods insurable by reason only that they are subsequently placed in or affixed to land under a contract of sale entered into by that person in course of that business.

(4) The Government may, by notification in the official Gazette, direct that goods of any description specified in the notification shall, notwithstanding anything contained in this section, be deemed not to be goods insurable under this Act.

4. (1) Save in so far as is otherwise expressly provided in this Act, any goods shall, subject to the provisions of this section, be deemed for the purposes of this Act to be owned—

Ownership

(a) if the property in the goods is for the time being vested in a person in relation to whom they are insurable under this Act, by that person ;

(b) if the property in the goods is not so vested, by any person in relation to whom the goods are insurable under this Act and who is for the time being entitled, either unconditionally, or conditionally to have the property in the goods vested in him ;

Provided that where—

- (i) any goods would, under the foregoing provisions of this sub-section, be deemed to be owned by a person in whom the property therein is vested otherwise than in the course of a business carried on by him in Mysore, or who is entitled to have the property therein vested in him otherwise than in the course of such a business, and
- (ii) any person carrying on business in Mysore is for the time being entitled to sell the goods as agent,

the goods shall be deemed to be owned by the last mentioned person.

(2) Where in the course of any business a ship is being, or has been constructed under contract, and the ship or any part thereof or any goods appropriated for the construction thereof—

- (a) would, apart from the provisions of this sub-section, have been deemed for the purposes of this Act to be owned at any time by the person from time to time carrying on the business, or
- (b) have at any time been accepted, in pursuance of a contract made with him by the person from time to time carrying on the business,

then, notwithstanding that they would not, apart from the said provisions, be deemed for the said purposes to be owned by the person from time to time carrying on the business, the ship and any part thereof and any goods so appropriated as aforesaid shall, subject to the provisions of sub-section (3), be deemed, in a case to which clause (a) applies, to continue to be owned by the person from time to time carrying on the business until the acceptance of the ship, in pursuance of the contract in question, by the person for whom it is being, or has been, constructed and in a case to which clause (b) applies, to be owned by the person from time to time carrying on the business at all times between the acceptance referred to in the said clause (b) and the acceptance of the ship as aforesaid by the person for whom it is being, or has been, constructed.

(3) The provisions of sub-section (2) shall apply in relation to the construction under contract in the course of a business, of part of a ship, not being part of a ship which is being, or has been, constructed by the person from time to time carrying on the business, as they apply in relation to the construction of a ship—

- (a) with the substitution for references to a ship of references to part of a ship ;
- (b) where the contract for the part of the ship is with the person for whom the ship is being constructed, with the substitution for references

to the acceptance of the ship under the contract in question of references to the acceptance of the ship under the contract for the construction thereof.

- (c) where the contract for the part of the ship is with any other person, with the substitution for references to the acceptance of the ship under the contract in question of references to the acceptance of the part of the ship under the contract for the construction of the part by the person for whom it is being, or has been, constructed.

(4) Where the person from time to time carrying on a business receives any money, under a policy issued in pursuance of the War Risks (Goods) Insurance Scheme of the Government of India, in respect of the loss of or damage to a ship, part of a ship or goods which are deemed to be owned by him by virtue of sub-section (2) or sub-section (3), the money shall be held by him on trust for the person who, apart from the provisions of these sub-sections, would be deemed for the purposes of this Act to be the owner of the ship, part or goods, subject however, to any lien or charge which would otherwise be enforceable against the ship, part or goods, and subject also to the right to retain out of the money the amount of any expenses reasonably incurred by the first mentioned person in making good any part of the loss or damage which he is liable to make good.

5. The War Risks (Goods) Insurance Scheme operated by the Government of India under that Government's War Risks (Goods) Insurance Ordinance, 1940, shall have effect in Mysore to the same extent and in the same manner as if it had been put into operation under a law of Mysore.

6. (1) No person shall, after such date as may be prescribed in this behalf by the Government, carry on business in Mysore as seller of goods, unless in respect of insurable goods situated in Mysore for the time being owned by him in the course of his business, there is in force a policy of insurance against war risks issued by the authority operating the War Risks (Goods) Insurance Scheme of the Government of India:

Provided that nothing in this sub-section shall restrict the carrying on of business as aforesaid by any person if and so long as the value of all goods insurable which are for the time being owned by him within Mysore in the course of that business does not exceed the sum of Rs. 20,000:

Provided further that the Government may declare that the provisions of this sub-section shall not apply to the carrying on of business as aforesaid by any person in respect of goods of any description specified in such declaration.

(2) Whoever contravenes the provisions of sub-section (1) shall be punishable with a fine which may extend to Rs. 1,000 and with a further fine which may extend to Rs. 500 for every day after the first on which the contravention continues.

7. Any person authorised in this behalf by the Government or the Government of India may, for the purpose of ascertaining whether or not any person has

*Application of the
War Risks Insurance
Government
Scheme of the Govt of
India to Mysore.*

Compulsory Insurance

*power of Government
to obtain information*

insured any goods against war risks, and, if so, for what value—

(a) require any person carrying on in Mysore the business of fire insurance or of a seller of goods to submit to him such accounts, books or other documents or to furnish to him such information as he may reasonably think necessary, or

(b) at any reasonable time enter any premises occupied by any person carrying on in Mysore any such business and inspect the premises and require any person found therein who is for the time being incharge thereof to produce to him and allow him to examine such accounts, books or other documents as may relate to the business carried on in the premises or to furnish to him such information as he may reasonably think necessary.

(2) Whoever wilfully obstructs any person in the exercise of his powers under this section or fails without reasonable excuse to comply with a request made thereunder shall, in respect of each occasion on which any such obstruction or failure takes place, be punishable with fine which may extend to five hundred rupees.

(3) Whoever in purporting to comply with his obligations under this section, knowingly or recklessly makes a statement false in a material particular shall be punishable with fine which may extend to one thousand rupees.

8. No prosecution for any offence punishable under this Act shall be instituted against any person except by or with the consent of the Government or an authority authorised in this behalf by the Government. *Limitations on prosecutions*

9. Any offence punishable under sub-section (2) of section 6 may, either before or after the institution of the prosecution, be compounded by the Government or the Government of India or by any authority authorised in this behalf by the Government or the Government of India on payment for credit to the War Risks (Goods) Insurance Fund established by the Government of India of such sum as the Government or the Government of India or such authority, as the case may be, thinks fit. *Compensation of offences*

10. No suit, prosecution or other legal proceeding shall lie against any person for anything which is in good faith done or intended to be done under this Act. *Bar of legal proceedings*

11. (1) The Government may, by notification in the official Gazette make rules to carry into effect the provisions of this Act. *power to make rules*

(2) Subject to any other rules or any modification that may be made in exercise of the powers under sub-section (1) of this section, the rules for the time being in force under the Government of India's War Risks (Goods) Insurance Ordinance, 1940, shall *mutatis mutandis* be deemed to be the rules for the purposes of this Act in Mysore, and further all persons authorised by the Government of India under that Government's War Risks (Goods) Insurance Ordinance, 1940 and the rules framed thereunder for any of the purposes of that ordinance, shall be deemed to be authorised under this Act for corresponding purposes.

12. ~~Repeal and Savings.~~—The Mysore War Risks (Goods) Insurance (Emergency) Act, 1942 (XXXV of 1942), is hereby repealed. But any rules made, any thing done and any action taken in exercise of any power *Repeal and Savings*

conferred by or under the said Emergency Act shall be deemed to have been made, done or taken, in exercise of powers conferred by or under this Act, as if this Act has commenced on the 8th day of August 1942.

The War Risks (Goods) Insurance Ordinance, 1940.

Ordinance No. IX of 1940.

An Ordinance to make certain provisions for the insurance of goods in British India against damage by enemy action.

Whereas an emergency has arisen which renders it necessary to make certain provisions for the insurance of goods in British India against damage by enemy action;

Now, therefore in exercise of the powers conferred by section 72 of the Government of India Act as set out in the Ninth Schedule to the Government of India Act, 1935, the Governor General is pleased to make and promulgate the following Ordinance:-

1. Short title, extent and commencement.--(1) This Ordinance may be called the War Risks (Goods) Insurance Ordinance, 1940.
- (2) It extends to the whole of British India.
- (3) It shall come into force on such date as the Central Government may, by notification in the official Gazette, appoint.

2. Definitions.-- In this Ordinance, unless there is anything repugnant in the subject or context,--

(a) "agricultural products" means products of agriculture, horticulture or silviculture and includes growing crops, plants and trees;

(b) "goods" means any materials, commodities or articles and includes materials or articles used in or for the construction of ships up to the time at which a ship after construction is launched;

(c) "war risks" means such risks arising from action taken by an enemy, or from action taken in combating an enemy, or in repelling an imagined attack by an enemy, as may be prescribed;

(d) "live-stock" includes animals of any description;

(e) "prescribed" means prescribed by rules made under this Ordinance;

(f) "seller of goods" includes a seller of goods acting as an agent, and, in relation to any person carrying on the business of selling goods as an agent, any reference in this Ordinance to goods produced by him or to goods not produced by him shall be construed as including a reference to goods produced, or, as the case may be, not produced by his principal;

(g) "situated in British India", when used with reference to goods,

goods, means situated on land or borne on inland waters in British India but does not include goods sea-borne in ports or maritime territorial waters.

3. Goods insurable under this Ordinance.— (1) Subject to the provisions of this section—

(a) the following goods shall, in relation to any person carrying on business in British India as a seller of goods of any description produced by him, be deemed to be goods insurable under this Ordinance, that is to say, all goods situated in British India being either—

(1) goods of that description;

(1) goods used as material from which goods of that description are produced or as ingredients or component parts of goods of that description; and

(b) the following goods shall, in relation to any person carrying on business in British India as a seller of goods of any description not produced by him, be deemed to be goods insurable under this Ordinance, that is to say, all goods of that description being goods situated in British India.

2) In relation to a person carrying on in British India the business of selling agricultural products produced by him, all agricultural products and livestock for the time being situated in British India shall, subject to the following provisions of this section, be deemed to be goods insurable under this Ordinance.

Provided that the Central Government may by general or special order direct that the provisions of section 1 shall not operate so as to require a person to be insured in respect of any goods which, in relation to that person would not be affected by the provisions of this Ordinance, be goods insurable under this Ordinance.

(3) Things which, in relation to a person carrying on any business as a seller of goods, are at any time goods insurable under this Ordinance shall not cease to be goods so insurable by reason only that they are subsequently placed in or affixed to and under a contract of sale entered into by that person in the course of that business.

(4) The Central Government may, by notification in the official Gazette, direct that goods of any description specified in the notification

notification shall, notwithstanding anything contained in this section, be deemed not to be goods insurable under this Ordinance.

4. Ownership.-- For the purposes of this Ordinance, any goods shall

(a) in a case where

(i) the property in the goods is or was, at any time vested in a person, in relation to whom they are or were then goods insurable under this Ordinance;

(ii) such a person is or was at any time entitled either conditionally or unconditionally to have the property in the goods vested in him, be taken to have been owned at that time by the person mentioned in sub-clause (i) or sub-clause (ii), as the case may be, of this clause; or

(b) in any other case, be taken to be or to have been owned at any time by any person who is or was at that time entitled to sell the goods as an owner.

Provided that any person carrying on a business in the course of which he constructs ships or parts of ships wholly or in relation to ships or parts of ships constructed under contract in the course of that business, be deemed to be carrying on business as a builder of ships or parts of ships, and any ship or part of a ship wholly or constructed and any vessel appropriated for its construction, of which he is the contractor or subcontractor for the construction, the person carrying on the business is not the owner, shall be deemed at all times before delivery under that contract to be owned in the course of that business by the person from time to time carrying on the business.

Provided ~~that~~ further any money received by him under a policy issued in pursuance of the War Risk (Goods) Insurance Scheme in respect of damage to any such ship, part of a ship or goods shall be held by him on trust for the owner of the ship, part or goods, subject, however, to any lien or charge which would otherwise be enforceable against the ship, part or goods.

5. War Risk Insurance Scheme.-- (1) The Central Government may, by notification in the official Gazette, put into operation a scheme [in this Ordinance referred to as the War Risk (Goods) Insurance Scheme] whereby ~~hereinafter~~ the Central Government

Government undertakes, in relation to persons carrying on business in British India as holders of goods, the liabilities of insuring such persons against war risks in respect of goods insurable under this Ordinance which are from time to time owned by such persons in the course of such business.

(2) The War Risks (Goods) Insurance Scheme shall be such as to secure--

(a) that any liability of the Central Government as insurer under the Scheme is determined by a policy of insurance issued in the prescribed form and in respect of a period not exceeding the period for the time being prescribed in this behalf, by a person acting on behalf of the Central Government;

(b) that any premium under a policy so issued is payable at such rate as may be prescribed; and

(c) that the amount of any one premium payable under a policy so issued is not less than such sum as may be prescribed in this behalf.

3) Different forms of policies, different rates of premium and different methods may be prescribed under sub-section (2) in relation to different descriptions of goods and according to the place at which and the circumstances in which the goods insured are situated.

(4) A policy of insurance in respect of any goods insurable under this Ordinance under the War Risks (Goods) Insurance Scheme may be issued to a person carrying on the business of warehousing who is interested in such issues or removal of any pledge or mortgage or charge, as well as to the person in relation to whom the goods are insurable under this Ordinance.

6. Employment of agents by Central Government.-- The Central Government may employ or authorise the employment of any person or firm to act as its agent for any of the purposes of this Ordinance and may pay to persons or firms so employed such remuneration as the Central Government thinks fit.

Provided that no person or firm shall be so employed unless that person or firm is either--

(a) a member of an association prescribed in this behalf, or

(b) a person who in British India has standing contract with underwriters who are members of the Society of Lloyd's, whereby such person is authorised within the terms of such contract to issue protection notes, cover notes or other documents granting insurance against war risks.

7. Compulsory Insurance.-- (1) No person shall, after such date as may be specified in this behalf by the Central Government by notification in the Official Gazette, carry on any business in British India as a seller of goods, unless, in respect of any goods insurable under this Ordinance which are for the time being owned by him in the course of that business, there is in force a policy of insurance against war risks issued in accordance with the War Risks (Goods) Insurance Scheme, whereby he is insured in respect of such goods for a sum not less than the value thereof for the time being.

Provided that nothing in this sub-section shall restrict the carrying on of business as aforesaid by any person, if and so long as the value of all goods insurable under this Ordinance which are for the time being owned by him within one and the same Presidency town or district in the course of that business does not exceed such amount as may be prescribed in this behalf.

(2) Whoever contravenes the provisions of sub-section (1) shall be punishable with fine which may extend to one thousand rupees and with a further fine which may extend to five hundred rupees for every day after the first on which the contravention continues.

8. Restriction on carrying on certain insurance business.-- (1) After the date on which the War Risks (Goods) Insurance Scheme is put into operation, no person shall, except as a person authorised by the Central Government or their agent to issue policies in pursuance of that Scheme, carry on the business of insuring persons carrying on business in British India, as sellers of goods, against war risks in respect of goods insurable under this Ordinance which are from time to time owned by such persons in the course of such business as is last mentioned.

(2) Whoever contravenes the provisions of sub-section (1) shall

the purpose of ascertaining whether or not any person has insured any goods against war risks, and, if so, for what value.

(2) Whoever wilfully obstructs any person in the exercise of his powers under this section or fails without reasonable excuse to comply with a request made thereunder shall, in respect of each occasion on which any such obstruction or failure takes place, be punishable with fine which may extend to five hundred rupees.

(3) Whoever, in purporting to comply with his obligations under this section, knowingly or recklessly makes a statement false in a material particular, shall be punishable with fine which may extend to one thousand rupees.

11. Refund of premiums in certain cases.-- Where goods of any description have been insured by a seller of goods for any period, and before that period has elapsed goods of that description have ceased, by virtue of a notification under sub-section (4) of section 3, to be goods insurable under this Ordinance, the person who has insured such goods shall be entitled to a proportionate refund of premium.

12. Limitations on prosecutions.-- ~~Any person~~ No prosecution for any offence punishable under this Ordinance shall be instituted against any person except by or with the consent of the Central Government or an authority authorised in this behalf by the Central Government.

13. Bar of legal proceedings.-- No suit, prosecution or other legal proceedings shall lie against any person... anything which is in good faith done or intended to be done under this Ordinance.

14. Power to make rules.-- (1) The Central Government may, by notification in the official Gazette, make rules to carry into effect the provisions of this Ordinance.

(2) Without prejudice to the generality of the foregoing power, such rules may prescribe--

(a) the risks which shall be deemed to be war risks for the purpose of clause (c) of section 2;

(b) the forms of the policies of insurance referred to in sub-section (2) of section 5, the maximum period in respect of which such policies shall be issued, the rates at which premiums on such policies

policies shall be payable, and the maximum amount which shall be payable as any one premium on such policies;

(c) the associations to be prescribed for the purposes of clause (a) of the proviso to section 6;

(d) the maximum amount to be prescribed for the purposes of the proviso to sub-section (1) of section 7;

(e) the form of and the manner of preparing the account referred to in sub-section (4) of section 9 and the intervals at which such account shall be published.

THE MYSORE WAR RISKS (GOODS) INSURANCE BILL.

As passed by the Legislative Council.

A Bill to make certain provisions for the insurance of goods in Mysore against damage by enemy action.

Whereas it is expedient to make certain provisions for the insurance of goods in Mysore against damage by enemy action; It is hereby enacted as follows:—

1. (i) This Act may be called the Mysore War Risks (Goods) Insurance Act, 194 .

(ii) It extends to the whole of Mysore.

(iii) It shall come into force at once.

Short title
extent and
commence-
ment.

2. In this Act unless there is anything repugnant in the subject or context,—

(a) “agricultural products” means products of agriculture, horticulture or silviculture and includes growing crops, plants and trees;

(b) “goods” means any materials, commodities or articles and includes materials or articles used in or for the construction of ships up to the time at which a ship after construction is launched;

(c) “war risks” means such risks arising from—

(i) action taken by an enemy or action taken in combating an enemy or in repelling an imagined attack by an enemy,

(ii) measures taken under proper authority to avoid the spreading of, or otherwise to mitigate, the consequences of damage occurring (whether accidentally or not) as the direct result of any such action as aforesaid,

(iii) precautionary or preparatory measures taken under the proper authority with a view to preventing or hindering the carrying out of any attack by an enemy, being measures involving a substantial degree of risk to property,

(iv) precautionary or preparatory measures involving the doing of work on land and taken under proper authority in any way in anticipation of enemy action, being measures involving a substantial degree of risk to property.

(v) precautionary or preparatory measures taken under proper authority with a view to denying facilities to the enemy, being measures involving a substantial degree of damage to, or diminution of the value of property,
as may be prescribed;

(d) "live-stock" includes animals of any description;

(e) "prescribed" means prescribed by rules made under this Act;

(f) "seller of goods" includes a seller of goods acting as an agent, and, in relation to any person carrying on the business of selling goods, as an agent, any reference in this Act to goods produced by him or to goods not produced by him shall be construed as including a reference to goods produced, or as the case may be, not produced by his principal.

(Goods insurable under this Act.

3. (1) Subject to the provisions of this section—

(a) the following goods shall, in relation to any person carrying on business in Mysore as a seller of goods of any description produced by him, be deemed to be goods insurable under this Act, that is to say, all goods situated in Mysore being either—

(i) goods of that description, or

(ii) goods used as material from which goods of that description are produced or as ingredients or component parts of goods of that description; and

(b) the following goods shall, in relation to any person carrying on business in Mysore as a seller of goods of any description not produced by him, be deemed to be goods insurable under this Act, that is to say, all goods of that description being goods situated in Mysore.

(2) In relation to a person carrying on in Mysore the business of selling agricultural products produced by him, all agricultural products and live-stock for the time being situated in Mysore, shall, subject to the following provisions of this section, be deemed to be goods insurable under this Act:

Provided that the Government may, by general or special order, direct that the provisions of section 6 shall not operate so as to require a person to be insured in

respect of any goods which, in relation to that person would not, apart from the provisions of this sub-section, be goods insurable under this Act.

(3) Things which, in relation to a person carrying on any business as a seller of goods, are at any time goods insurable under this Act shall not cease to be goods so insurable by reason only that they are subsequently placed in or affixed to land under a contract of sale entered into by that person in course of that business.

(4) The Government may, by notification in the official Gazette, direct that goods of any description specified in the notification shall, notwithstanding anything contained in this section, be deemed not to be goods insurable under this Act.

4. (1) Save in so far as is otherwise expressly provided in this Act, any goods shall, subject to the provisions of this section, be deemed for the purposes of this Act to be owned— Ownership.

(a) if the property in the goods is for the time being vested in a person in relation to whom they are insurable under this Act, by that person ;

(b) if the property in the goods is not so vested, by any person in relation to whom the goods are insurable under this Act and who is for the time being entitled, either unconditionally, or conditionally to have the property in the goods vested in him :

Provided that where—

(i) any goods would, under the foregoing provisions of this sub-section, be deemed to be owned by a person in whom the property therein is vested otherwise than in the course of a business carried on by him in Mysore, or who is entitled to have the property therein vested in him otherwise than in the course of such a business, and

(ii) any person carrying on business in Mysore is for the time being entitled to sell the goods as agent,

the goods shall be deemed to be owned by the last mentioned person.

(2) Where in the course of any business, a ship is being, or has been constructed under contract, and the

ship or any part thereof or any goods appropriated for the construction thereof—

- (a) would, apart from the provisions of this sub-section, have been deemed for the purposes of this Act to be owned at any time by the person from time to time carrying on the business, or
- (b) have at any time been accepted, in pursuance of a contract made with him by the person from time to time carrying on the business,

then, notwithstanding that they would not, apart from the said provisions, be deemed for the said purposes to be owned by the person from time to time carrying on the business, the ship and any part thereof and any goods so appropriated as aforesaid shall, subject to the provisions of sub-section (3), be deemed, in a case to which clause (a) applies, to continue to be owned by the person from time to time carrying on the business until the acceptance of the ship, in pursuance of the contract in question, by the person for whom it is being, or has been, constructed and in a case to which clause (b) applies, to be owned by the person from time to time carrying on the business at all times between the acceptance referred to in the said clause (b) and the acceptance of the ship as aforesaid by the person for whom it is being, or has been, constructed.

(3) The provisions of sub-section (2) shall apply in relation to the construction under contract in the course of a business, of part of a ship, not being part of a ship which is being, or has been, constructed by the person from time to time carrying on the business, as they apply in relation to the construction of a ship—

- (a) with the substitution for references to a ship of references to part of a ship;
- (b) where the contract for the part of the ship is with the person for whom the ship is being constructed, with the substitution for references to the acceptance of the ship under the contract in question of references to the acceptance of the ship under the contract for the construction thereof.
- (c) where the contract for the part of the ship is with any other person, with the substitution for references to the acceptance of the ship under the contract in question of references to

the acceptance of the part of the ship under the contract for the construction of the part by the person for whom it is being, or has been, constructed.

(4) Where the person from time to time carrying on a business receives any money, under a policy issued in pursuance of the War Risks (Goods) Insurance Scheme of the Government of India, in respect of the loss of or damage to a ship, part of a ship or goods which are deemed to be owned by him by virtue of sub-section (2) or sub-section (3), the money shall be held by him on trust for the person who, apart from the provisions of these sub-sections, would be deemed for the purposes of this Act to be the owner of the ship, part or goods, subject however, to any lien or charge which would otherwise be enforceable against the ship, part or goods, and subject also to the right to retain out of the money the amount of any expenses reasonably incurred by the first mentioned person in making good any part of the loss or damage which he is liable to make good.

5. The War Risks (Goods) Insurance Scheme operated by the Government of India under that Government's War Risks (Goods) Insurance Ordinance, 1940, shall have effect in Mysore to the same extent and in the same manner as if it had been put into operation under a law in force in Mysore.

Application
of the War
Risks (Goods)
Insurance
Scheme of
the Govern-
ment of India
to Mysore.

6. (1) No person shall, after such date as may be prescribed in this behalf by the Government, carry on business in Mysore as seller of goods, unless in respect of insurable goods situated in Mysore for the time being owned by him in the course of his business, there is in force a policy of insurance against war risks issued by the authority operating the War Risks (Goods) Insurance Scheme of the Government of India:

Compulsory
Insurance.

Provided that nothing in this sub-section shall restrict the carrying on of business as aforesaid by any person if and so long as the value of all goods insurable which are for the time being owned by him within Mysore in the course of that business does not exceed the sum of Rs. 20,000:

Provided further that the Government may declare that the provisions of this sub-section shall not apply to the carrying on of business as aforesaid by any person in respect of goods of any description specified in such declaration.

(2) Whoever contravenes the provisions of sub-section (1) shall be punishable with a fine which may extend to Rs. 1,000 and with a further fine which may extend to Rs. 500 for every day after the first on which the contravention continues.

Power to
obtain infor-
mation.

7. (1) Any person authorised in this behalf by the Government or the Government of India may, for the purpose of ascertaining whether or not any person has insured any goods against war risks, and, if so, for what value—

(a) require any person carrying on in Mysore the business of fire insurance or of a seller of goods to submit to him such accounts, books or other documents or to furnish to him such information as he may reasonably think necessary, or

(b) at any reasonable time enter any premises occupied by any person carrying on in Mysore any such business and inspect the premises and require any person found therein who is for the time being in charge thereof to produce to him, and allow him to examine such accounts, books or other documents as may relate to the business carried on in the premises or to furnish to him such information as he may reasonably think necessary.

(2) Whoever wilfully obstructs any person in the exercise of his powers under this section or fails without reasonable excuse to comply with a request made thereunder shall, in respect of each occasion on which any such obstruction or failure takes place, be punishable with fine which may extend to five hundred rupees.

(3) Whoever in purporting to comply with his obligations under this section, knowingly or recklessly makes a statement false in a material particular shall be punishable with fine which may extend to one thousand rupees.

Limitations
on prosecu-
tions.

8. No prosecution for any offence punishable under this Act shall be instituted against any person except by or with the consent of the Government or an authority authorised in this behalf by the Government.

Composition
of offences.

9. Any offence punishable under sub-section (2) of section 6 may, either before or after the institution of the prosecution, be compounded by the Government or the Government of India or by any authority authorised in this behalf by the Government or the Government of India on payment for credit to the War Risks (Goods)

Insurance Fund established by the Government of India of such sum as the Government or the Government of India or such authority, as the case may be, thinks fit.

10. No suit, prosecution or other legal proceeding shall lie against any person for anything which is in good faith done or intended to be done under this Act. Bar of legal proceedings.

11. (1) The Government may, by notification in the official Gazette make rules to carry into effect the provisions of this Act. Power to make rules.

(2) Subject to any other rules or any modification that may be made in exercise of the powers under sub-section (1) of this section, the rules for the time being in force under the Government of India's War Risks (Goods) Insurance Ordinance, 1940, shall *mutatis mutandis* be deemed to be the rules for the purposes of this Act in Mysore, and further all persons authorised by the Government of India under that Government's War Risks (Goods) Insurance Ordinance, 1940, and the rules framed thereunder for any of the purposes of that ordinance, shall be deemed to be authorised under this Act for corresponding purposes.

12. The Mysore War Risks ((Goods) Insurance (Emergency) Act, 1942 (XXXV of 1942), is hereby repealed. But any rules made, any thing done and any action taken in exercise of any power conferred by or under the said Emergency Act shall be deemed to have been made, done or taken, in exercise of powers conferred by or under this Act, as if this Act has commenced on the 8th day of August 1942. Repeal and Savings.

S. H. Chandrasekhar

PRESIDENT.
Legislative Council.

BXR
16.12.42

PROCEEDINGS OF THE GOVERNMENT OF HIS HIGHNESS
THE MAHARAJA OF MYSORE

Order No. RL 732 Reg 48-42-1

Dated, Bangalore, 18th Jan 1943

9

Ordered that the accompanying Hydro War Risks (Goods)
Insurance Act 1943

which received the assent of His Highness the Maharaja,
on the 7th day of January
1943, be published as Act No. VII
of 1943, in the *Mysore Gazette*, for general information.

MRP
18-1-43

General Secretary to Government.

Law Department
BMP

To

(1) The Compiler, *Mysore Gazette*, for publication in Part IV
of the Gazette, in English and Kannada and for supply
of spare copies in English and Kannada, as per standing
orders.

(2) Copy to the Translation Section

PROCEEDINGS OF THE GOVERNMENT OF HIS HIGHNESS THE
MAHARAJA OF MYSORE.

Order No. RL 732 Legis. 48-42-1 Dated Bangalore 18th January 194

Ordered that the accompanying Mysore War Risks (Goods)
Insurance Act 1943 which received the assent of His Highness
the Maharaja, on the 7th day of January 1943, be published
as Act No. VII of 1943, in the Mysore Gazette, for general in-
formation.

BKRamakrishnan
For Secretary to Government,
Law Department.
24

To

1. The Compiler, Mysore Gazette, for publication in Part
IV of the Gazette, in English and Kannada and for supply
of spare copies in English and Kannada, as per standing
orders.
2. Copy to the Translation section.

Act No VII 7 1943

THE MYSORE WAR RISKS (GOODS) INSURANCE BILL Act 1943

An Act to make certain provisions for the insurance of goods in Mysore against damage by enemy action.

(Received in draft of His Highness on the 7th day 7 Jan 1943)

Whereas it is expedient to make certain provisions for the insurance of goods in Mysore against damage by enemy action; It is hereby enacted as follows:—

1. (i) This Act may be called the Mysore War Risks (Goods) Insurance Act, 1944 .

(ii) It extends to the whole of Mysore.

(iii) It shall come into force at once.

Short title,
extent and
commence-
ment.

2. In this Act unless there is anything repugnant in the subject or context,—

(a) “agricultural products” means products of agriculture, horticulture or silviculture and includes growing crops, plants and trees;

(b) “goods” means any materials, commodities or articles, and includes materials or articles used in or for the construction of ships up to the time at which a ship after construction is launched;

(c) “war risks” means such risks arising from—

(i) action taken by an enemy or action taken in combating an enemy or in repelling an imagined attack by an enemy,

(ii) measures taken under proper authority to avoid the spreading of, or otherwise to mitigate, the consequences of damage occurring (whether accidentally or not) as the direct result of any such action as aforesaid,

(iii) precautionary or preparatory measures taken under the proper authority with a view to preventing or hindering the carrying out of any attack by an enemy, being measures involving a substantial degree of risk to property,

(iv) precautionary or preparatory measures involving the doing of work on land and taken under proper authority in any way in anticipation of enemy action, being measures involving a substantial degree of risk to property,

(v) precautionary or preparatory measures taken under proper authority with a view to denying facilities to the enemy, being measures involving a substantial degree of damage to, or diminution of the value of property, as may be prescribed;

(d) "live-stock" includes animals of any description;

(e) "prescribed" means prescribed by rules made under this Act;

(f) "seller of goods" includes a seller of goods acting as an agent, and, in relation to any person carrying on the business of selling goods, as an agent, any reference in this Act to goods produced by him or to goods not produced by him shall be construed as including a reference to goods produced, or as the case may be, not produced by his principal.

Goods insurable under this Act.

3. (1) Subject to the provisions of this section—

(a) the following goods shall, in relation to any person carrying on business in Mysore as a seller of goods of any description produced by him, be deemed to be goods insurable under this Act, that is to say, all goods situated in Mysore being either—

- (i) goods of that description, or
- (ii) goods used as material from which goods of that description are produced or as ingredients or component parts of goods of that description; and

(b) the following goods shall, in relation to any person carrying on business in Mysore as a seller of goods of any description not produced by him, be deemed to be goods insurable under this Act, that is to say, all goods of that description being goods situated in Mysore.

(2) In relation to a person carrying on in Mysore the business of selling agricultural products produced by him, all agricultural products and live-stock for the time being situated in Mysore, shall, subject to the following provisions of this section, be deemed to be goods insurable under this Act:

Provided that the Government may, by general or special order, direct that the provisions of section 6 shall not operate so as to require a person to be insured in

respect of any goods which, in relation to that person would not, apart from the provisions of this sub-section, be goods insurable under this Act.

(3) Things which, in relation to a person carrying on any business as a seller of goods, are at any time goods insurable under this Act shall not cease to be goods so insurable by reason only that they are subsequently placed in or affixed to land under a contract of sale entered into by that person in course of that business.

(4) The Government may, by notification in the official Gazette, direct that goods of any description specified in the notification shall, notwithstanding anything contained in this section, be deemed not to be goods insurable under this Act.

4. (1) Save in so far as is otherwise expressly provided in this Act, any goods shall, subject to the provisions of this section, be deemed for the purposes of this Act to be owned—

(a) if the property in the goods is for the time being vested in a person in relation to whom they are insurable under this Act, by that person;

(b) if the property in the goods is not so vested, by any person in relation to whom the goods are insurable under this Act and who is for the time being entitled, either unconditionally, or conditionally to have the property in the goods vested in him:

Provided that where—

(i) any goods would, under the foregoing provisions of this sub-section, be deemed to be owned by a person in whom the property therein is vested otherwise than in the course of a business carried on by him in Mysore, or who is entitled to have the property therein vested in him otherwise than in the course of such a business, and

(ii) any person carrying on business in Mysore is for the time being entitled to sell the goods as agent,

the goods shall be deemed to be owned by the last mentioned person.

(2) Where in the course of any business, a ship is being, or has been constructed under contract, and the

ship or any part thereof or any goods appropriated for the construction thereof—

(a) would, apart from the provisions of this sub-section, have been deemed for the purposes of this Act to be owned at any time by the person from time to time carrying on the business, or

(b) have at any time been accepted, in pursuance of a contract made with him by the person from time to time carrying on the business,

then, notwithstanding that they would not, apart from the said provisions, be deemed for the said purposes to be owned by the person from time to time carrying on the business, the ship and any part thereof and any goods so appropriated as aforesaid shall, subject to the provisions of sub-section (3), be deemed, in a case to which clause (a) applies, to continue to be owned by the person from time to time carrying on the business until the acceptance of the ship, in pursuance of the contract in question, by the person for whom it is being, or has been, constructed and in a case to which clause (b) applies, to be owned by the person from time to time carrying on the business at all times between the acceptance referred to in the said clause (b) and the acceptance of the ship as aforesaid by the person for whom it is being, or has been, constructed.

(3) The provisions of sub-section (2) shall apply in relation to the construction under contract in the course of a business, of part of a ship, not being part of a ship which is being, or has been, constructed by the person from time to time carrying on the business, as they apply in relation to the construction of a ship—

(a) with the substitution for references to a ship of references to part of a ship;

(b) where the contract for the part of the ship is with the person for whom the ship is being constructed, with the substitution for references to the acceptance of the ship under the contract in question of references to the acceptance of the ship under the contract for the construction thereof.

(c) where the contract for the part of the ship is with any other person, with the substitution for references to the acceptance of the ship under the contract in question of references to

the acceptance of the part of the ship under the contract for the construction of the part by the person for whom it is being, or has been, constructed.

(4) Where the person from time to time carrying on a business receives any money, under a policy issued in pursuance of the War Risks (Goods) Insurance Scheme of the Government of India, in respect of the loss of or damage to a ship, part of a ship or goods which are deemed to be owned by him by virtue of sub-section (2) or sub-section (3), the money shall be held by him on trust for the person who, apart from the provisions of these sub-sections, would be deemed for the purposes of this Act to be the owner of the ship, part or goods, subject however, to any lien or charge which would otherwise be enforceable against the ship, part or goods; and subject also to the right to retain out of the money the amount of any expenses reasonably incurred by the first mentioned person in making good any part of the loss or damage which he is liable to make good.

5. The War Risks (Goods) Insurance Scheme operated by the Government of India under that Government's War Risks (Goods) Insurance Ordinance, 1940, shall have effect in Mysore to the same extent and in the same manner as if it had been put into operation under a law in force in Mysore.

Application of the War Risks (Goods) Insurance Scheme of the Government of India to Mysore.

6. (1) No person shall, after such date as may be prescribed in this behalf by the Government, carry on business in Mysore as seller of goods, unless in respect of insurable goods situated in Mysore for the time being owned by him in the course of his business, there is in force a policy of insurance against war risks issued by the authority operating the War Risks (Goods) Insurance Scheme of the Government of India:

Compulsory Insurance.

Provided that nothing in this sub-section shall restrict the carrying on of business as aforesaid by any person if and so long as the value of all goods insurable which are for the time being owned by him within Mysore in the course of that business does not exceed the sum of Rs. 20,000:

Provided further that the Government may declare that the provisions of this sub-section shall not apply to the carrying on of business as aforesaid by any person in respect of goods of any description specified in such declaration.

(2) Whoever contravenes the provisions of sub-section (1) shall be punishable with a fine which may extend to Rs. 1,000 and with a further fine which may extend to Rs. 500 for every day after the first on which the contravention continues.

Power to
obtain infor-
mation.

7. (1) Any person authorised in this behalf by the Government or the Government of India may, for the purpose of ascertaining whether or not any person has insured any goods against war risks, and, if so, for what value—

(a) require any person carrying on in Mysore the business of fire insurance or of a seller of goods to submit to him such accounts, books or other documents or to furnish to him such information as he may reasonably think necessary, or

(b) at any reasonable time enter any premises occupied by any person carrying on in Mysore any such business and inspect the premises and require any person found therein who is for the time being in charge thereof to produce to him and allow him to examine such accounts, books or other documents as may relate to the business carried on in the premises or to furnish to him such information as he may reasonably think necessary.

(2) Whoever wilfully obstructs any person in the exercise of his powers under this section or fails without reasonable excuse to comply with a request made thereunder shall, in respect of each occasion on which any such obstruction or failure takes place, be punishable with fine which may extend to five hundred rupees.

(3) Whoever in purporting to comply with his obligations under this section, knowingly or recklessly makes a statement false in a material particular shall be punishable with fine which may extend to one thousand rupees.

Limitations
on prosecu-
tions.

8. No prosecution for any offence punishable under this Act shall be instituted against any person except by or with the consent of the Government or an authority authorised in this behalf by the Government.

Composition
of offences.

9. Any offence punishable under sub-section (1) of section 6 may, either before or after the institution of the prosecution, be compounded by the Government or the Government of India or by any authority authorised in this behalf by the Government or the Government of India on payment for credit to the War Risks (Goods)

Insurance Fund established by the Government of India of such sum as the Government or the Government of India or such authority, as the case may be, thinks fit.

10. No suit, prosecution or other legal proceeding shall lie against any person for anything which is in good faith done or intended to be done under this Act. Bar of legal proceedings.

11. (1) The Government may, by notification in the official Gazette make rules to carry into effect the provisions of this Act. Power to make rules.

(2) Subject to any other rules or any modification that may be made in exercise of the powers under subsection (1) of this section, the rules for the time being in force under the Government of India's War Risks (Goods) Insurance Ordinance, 1940, shall *mutatis mutandis* be deemed to be the rules for the purposes of this Act in Mysore, and further all persons authorised by the Government of India under that Government's War Risks (Goods) Insurance Ordinance, 1940, and the rules framed thereunder for any of the purposes of that ordinance, shall be deemed to be authorised under this Act for corresponding purposes.

12. The Mysore War Risks (Goods) Insurance (Emergency) Act, 1942 (XXXV of 1942), is hereby repealed. But any rules made, any thing done and any action taken in exercise of any power conferred by or under the said Emergency Act shall be deemed to have been made, done or taken, in exercise of powers conferred by or under this Act, as if this Act has commenced on the 8th day of August 1942. Repeal and Savings.

(Sd) H. Radhama Rao,
Secretary

**THE MYSORE WAR RISKS (GOODS) INSURANCE
ACT, 1943.**

Price: 0-1-0

NOTIFICATION

*Order No. Rl. 732—Legis. 48-42-1, dated Bangalore,
the 18—19th January 1943.*

Ordered that the accompanying Mysore War Risks (Goods) Insurance Act, 1943, which received the assent of His Highness the Maharaja, on the 7th day of January 1943, be published as Act VII of 1943, in the *Mysore Gazette*, for general information.

C. NARAYANASWAMY NAIDU,

*Secretary to Government,
Law Department.*

ACT VII OF 1943.

THE MYSORE WAR RISKS (GOODS) INSURANCE ACT, 1943.

An Act to make certain Provisions for the Insurance of Goods in Mysore against Damage by Enemy Action.

*(Received the assent of His Highness the Maharaja on the
seventh day of January 1943.)*

Whereas it is expedient to make certain provisions for the insurance of goods in Mysore against damage by enemy action ; It is hereby enacted as follows :—

1. (i) This Act may be called the Mysore War Risks (Goods) Insurance Act, 1943.

(ii) It extends to the whole of Mysore.

(iii) It shall come into force at once.

Short title,
extent and
commence-
ment.

2. In this Act unless there is anything repugnant in the subject or context,—

(a) “agricultural products” means products of agriculture, horticulture or silviculture and includes growing crops, plants and trees;

(b) “goods” means any materials, commodities or articles and includes materials or articles used in or for the construction of ships up to the time at which a ship after construction is launched;

(c) “war risks” means such risks arising from—

(i) action taken by an enemy or action taken in combating an enemy or in repelling an imagined attack by an enemy,

(ii) measures taken under proper authority to avoid the spreading of, or otherwise to mitigate, the consequences of damage occurring (whether accidentally or not) as the direct result of any such action as aforesaid,

(iii) precautionary or preparatory measures taken under the proper authority with a view to preventing or hindering the carrying out of any attack by an enemy, being measures involving a substantial degree of risk to property,

(iv) precautionary or preparatory measures involving the doing of work on land and taken under proper authority in any way in anticipation of enemy action, being measures involving a substantial degree of risk to property,

(v) precautionary or preparatory measures taken under proper authority with a view to denying facilities to the enemy, being measures involving a substantial degree of damage to, or diminution of the value of property,

as may be prescribed;

(d) “live-stock” includes animals of any description;

(e) “prescribed” means prescribed by rules made under this Act;

(f) “seller of goods” includes a seller of goods acting as an agent, and, in relation to any person carrying

on the business of selling goods, as an agent, any reference in this Act to goods produced by him or to goods not produced by him shall be construed as including a reference to goods produced, or as the case may be, not produced by his principal.

3. (1) Subject to the provisions of this section—

(a) the following goods shall, in relation to any person carrying on business in Mysore as a seller of goods of any description produced by him, be deemed to be goods insurable under this Act, that is to say, all goods situated in Mysore being either—

- (i) goods of that description, or
- (ii) goods used as material from which goods of that description are produced or as ingredients or component parts of goods of that description; and

(b) the following goods shall, in relation to any person carrying on business in Mysore as a seller of goods of any description not produced by him, be deemed to be goods insurable under this Act, that is to say, all goods of that description being goods situated in Mysore.

(2) In relation to a person carrying on in Mysore the business of selling agricultural products produced by him, all agricultural products and live-stock for the time being situated in Mysore, shall, subject to the following provisions of this section, be deemed to be goods insurable under this Act:

Provided that the Government may, by general or special order, direct that the provisions of section 6 shall not operate so as to require a person to be insured in respect of any goods which, in relation to that person would not, apart from the provisions of this sub-section, be goods insurable under this Act.

(3) Things which, in relation to a person carrying on any business as a seller of goods, are at any time goods insurable under this Act shall not cease to be goods so insurable by reason only that they are subsequently placed in or affixed to land under a contract of sale entered into by that person in course of that business.

(4) The Government may, by notification in the official Gazette, direct that goods of any description specified in the notification shall, notwithstanding anything contained in this section, be deemed not to be goods insurable under this Act.

Ownership. ✓

4. (1) Save in so far as is otherwise expressly provided in this Act, any goods shall, subject to the provisions of this section, be deemed for the purposes of this Act to be owned—

(a) if the property in the goods is for the time being vested in a person in relation to whom they are insurable under this Act, by that person ;

(b) if the property in the goods is not so vested, by any person in relation to whom the goods are insurable under this Act and who is for the time being entitled, either unconditionally, or conditionally to have the property in the goods vested in him :

Provided that where—

(i) any goods would, under the foregoing provisions of this sub-section, be deemed to be owned by a person in whom the property therein is vested otherwise than in the course of a business carried on by him in Mysore, or who is entitled to have the property therein vested in him otherwise than in the course of such a business, and

(ii) any person carrying on business in Mysore is for the time being entitled to sell the goods as agent,

the goods shall be deemed to be owned by the last mentioned person.

(2) Where in the course of any business, a ship is being, or has been constructed under contract, and the ship or any part thereof or any goods appropriated for the construction thereof—

would, apart from the provisions of this sub-section, have been deemed for the purposes of this Act to be owned at any time by the person from time to time carrying on the business, or

(b) have at any time been accepted, in pursuance of a contract made with him by the person from time to time carrying on the business,

then, notwithstanding that they would not, apart from the said provisions, be deemed for the said purposes to be owned by the person from time to time carrying on the

business, the ship and any part thereof and any goods so appropriated as aforesaid shall, subject to the provisions of sub-section (3), be deemed, in a case to which clause (a) applies, to continue to be owned by the person from time to time carrying on the business until the acceptance of the ship, in pursuance of the contract in question, by the person for whom it is being, or has been, constructed and in a case to which clause (b) applies, to be owned by the person from time to time carrying on the business at all times between the acceptance referred to in the said clause (b) and the acceptance of the ship as aforesaid by the person for whom it is being, or has been, constructed.

(3) The provisions of sub-section (2) shall apply in relation to the construction under contract in the course of a business, of part of a ship, not being part of a ship which is being, or has been, constructed by the person from time to time carrying on the business, as they apply in relation to the construction of a ship—

- (a) with the substitution for references to a ship of references to part of a ship;
- (b) where the contract for the part of the ship is with the person for whom the ship is being constructed, with the substitution for references to the acceptance of the ship under the contract in question of references to the acceptance of the ship under the contract for the construction thereof;
- (c) where the contract for the part of the ship is with any other person, with the substitution for references to the acceptance of the ship under the contract in question of references to the acceptance of the part of the ship under the contract for the construction of the part by the person for whom it is being, or has been, constructed.

(4) Where the person from time to time carrying on a business receives any money, under a policy issued in pursuance of the War Risks (Goods) Insurance Scheme of the Government of India, in respect of the loss of or damage to a ship, part of a ship or goods which are deemed to be owned by him by virtue of sub-section (2) or sub-section (3), the money shall be held by him on trust for the person who, apart from the provisions of these sub-sections, would be deemed for the purposes of this Act

to be the owner of the ship, part or goods, subject however, to any lien or charge which would otherwise be enforceable against the ship, part or goods, and subject also to the right to retain out of the money the amount of any expenses reasonably incurred by the first mentioned person in making good any part of the loss or damage which he is liable to make good.

Application
of the War
Risks (Goods)
Insurance
Scheme of
the Govern-
ment of India
to Mysore.

5. The War Risks (Goods) Insurance Scheme operated by the Government of India under that Government's War Risks (Goods) Insurance Ordinance, 1940, shall have effect in Mysore to the same extent and in the same manner as if it had been put into operation under a law in force in Mysore.

Compulsory
Insurance.

6. (1) No person shall, after such date as may be prescribed in this behalf by the Government, carry on business in Mysore as seller of goods, unless in respect of insurable goods situated in Mysore for the time being owned by him in the course of his business, there is in force a policy of insurance against war risks issued by the authority operating the War Risks (Goods) Insurance Scheme of the Government of India:

Provided that nothing in this sub-section shall restrict the carrying on of business as aforesaid by any person if and so long as the value of all goods insurable which are for the time being owned by him within Mysore in the course of that business does not exceed the sum of Rs. 20,000:

Provided further that the Government may declare that the provisions of this sub-section shall not apply to the carrying on of business as aforesaid by any person in respect of goods of any description specified in such declaration.

(2) Whoever contravenes the provisions of sub-section (1) shall be punishable with a fine which may extend to Rs. 1,000 and with a further fine which may extend to Rs. 500 for every day after the first on which the contravention continues.

Power to
obtain infor-
mation.

7. (1) Any person authorised in this behalf by the Government or the Government of India may, for the purpose of ascertaining whether or not any person has insured any goods against war risks, and, if so, for what value—

(a) require any person carrying on in Mysore the business of fire insurance or of a seller of goods to submit

to him such accounts, books or other documents or to furnish to him such information as he may reasonably think necessary, or

(b) at any reasonable time enter any premises occupied by any person carrying on in Mysore any such business and inspect the premises and require any person found therein who is for the time being in charge thereof to produce to him and allow him to examine such accounts, books or other documents as may relate to the business carried on in the premises or to furnish to him such information as he may reasonably think necessary.

(2) Whoever wilfully obstructs any person in the exercise of his powers under this section or fails without reasonable excuse to comply with a request made thereunder shall, in respect of each occasion on which any such obstruction or failure takes place, be punishable with fine which may extend to five hundred rupees.

(3) Whoever in purporting to comply with his obligations under this section, knowingly or recklessly makes a statement false in a material particular shall be punishable with fine which may extend to one thousand rupees.

8. No prosecution for any offence punishable under this Act shall be instituted against any person except by or with the consent of the Government or an authority authorised in this behalf by the Government.

Limitations
on prosecutions.

9. Any offence punishable under sub-section (2) of section 6 may, either before or after the institution of the prosecution, be compounded by the Government or the Government of India or by any authority authorised in this behalf by the Government or the Government of India on payment for credit to the War Risks (Goods) Insurance Fund established by the Government of India of such sum as the Government or the Government of India or such authority, as the case may be, thinks fit.

Composition
of offences.

10. No suit, prosecution or other legal proceeding shall lie against any person for anything which is in good faith done or intended to be done under this Act.

Bar of legal
proceedings.

11. (1) The Government may, by notification in the official Gazette make rules to carry into effect the provisions of this Act.

Power to
make rules.

(2) Subject to any other rules or any modification that may be made in exercise of the powers under subsection (1) of this section, the rules for the time being in force under the Government of India's War Risks (Goods) Insurance Ordinance, 1940, shall *mutatis mutandis* be deemed to be the rules for the purposes of this Act in Mysore, and further all persons authorised by the Government of India under that Government's War Risks (Goods) Insurance Ordinance, 1940, and the rules framed thereunder for any of the purposes of that ordinance, shall be deemed to be authorised under this Act for corresponding purposes.

**Repeal and
Savings.**

12. The Mysore War Risks (Goods) Insurance (Emergency) Act, 1942 (XXXV of 1942), is hereby repealed. But any rules made, anything done and any action taken in exercise of any power conferred by or under the said Emergency Act shall be deemed to have been made, done or taken, in exercise of powers conferred by or under this Act, as if this Act has commenced on the 8th day of August 1942.

N. MADHAVA RAU,

Dewan.